



ANNUAL REPORT (DRAFT) 2025/2026

John Taolo Gaetsewe District Municipality

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TABLE OF CONTENTS

TABLE OF CONTENTS	2
CHAPTER 1 - MAYOR'S FOREWORD AND EXECUTIVE SUMMARY	6
COMPONENT A: MAYOR'S FOREWORD	6
COMPONENT B: EXECUTIVE SUMMARY	8
1.1 Municipal Manager's Overview	8
1.2 Municipal Functions, Population and Environmental Overview	10
1.3 Service Delivery Overview	17
1.4 Financial Health Overview	31
1.5 Organisational Development Overview	34
1.5 Auditor General Report - Current Year 2025/2026	34
1.6 Statutory Annual Report Process	35
CHAPTER 2 - GOVERNANCE	36
COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE	36
2.1 Political Governance	36
2.2 Administrative Governance	38
2.3 Intergovernmental Relations	41
2.5 Public Satisfaction on Municipal Services	48
CHAPTER 3 - SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)	53
COMPONENT A: BASIC SERVICES	53
3.1 Water Provision	54
3.2 Waste Water (Sanitation) Provision	54
3.3 Electricity	55
3.4 Waste Management	56
3.5 Housing	56
3.6 Free Basic Services and Indigent Support	57
COMPONENT B: ROAD AND TRANSPORT	57
3.7 Roads	58
3.8 Transport (including vehicle licensing & public bus operation)	60
3.9 Waste Water (storm water drainage)	60
COMPONENT C: PLANNING AND DEVELOPMENT	61
3.10 Planning	61
3.11 Local Economic Development (including tourism and market places)	70

COMPONENT D: COMMUNITY AND SOCIAL SERVICES	73
3.12 Cemeteries and Crematoriums	73
3.13 Child Care, Aged Care, Social Programmes	73
COMPONENT E: ENVIRONMENTAL PROTECTION	73
3.14 Pollution Control	74
3.15 Bio-diversity; Landscape (incl. open spaces) and other (e.g. coastal protection)	74
COMPONENT F: MUNICIPAL HEALTH SERVICES - MHS	74
3.16 Clinics	74
3.17 Ambulances	75
3.18 Health Inspection; Food & Abattoir Licensing; Inspections; Etc.	75
3.19 Police	79
3.20 Other (Disaster Management)	79
3.21 Executive and Council	81
3.22 Financial Services	82
3.23 Human Resource Services	82
3.24 Information and Communication Technology (ICT) Services	82
3.25 Property; Legal; Risk Management and Procurement Services	82
CHAPTER 4 - ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)	90
As per amended Systems Act, the Organogram is annually reviewed and approved by Council. The 26-27 was approved by Council in 27 May 2026 for implementation from 1st July 2027.	90
4.1 Employee Totals, Turnover and Vacancies	90
4.2 Policies	91
4.3 Injuries, Sickness and Suspensions	93
4.4 Performance Rewards	96
4.5 Skills Development and Training	96
4.6 Employee Expenditure	99
CHAPTER 5 - FINANCIAL PERFORMANCE	100
1. Responsiveness of the Council, Council Committees, Management team and municipal staff on issues pertaining to improved systems.	100
2. Effectiveness of the Risk and Internal Audit functionaries within the municipality as well as the Advisory of the Audit, Risk and Performance Management Committee	100
3. Continued improvements on the functionality and operations of the core financial management system.	100

4.	Success in data migration processes conducted _____	100
5.	Development of and monitoring implementation of the Audit Action Plan, aimed at addressing other matters that the Office of the Auditor General emphasized on during the previous audits. _	100
5.1	Statements of Financial Performance _____	102
5.2	Grants _____	104
5.3	Asset Management _____	104
5.4	Financial Ratios based on Key Performance Indicators _____	106
5.5	Capital Expenditure _____	110
5.6	Sources of finance _____	110
5.7	Capital spending on 5 largest projects _____	111
5.8	Basic Services and Infrastructure backlog - overview _____	111
5.9.	Cashflow _____	111
5.9	Borrowing and Investments _____	113
5.10	Public Private Partnerships _____	114
5.11	Supply Chain Management _____	114
5.12	GRAP Compliance _____	115
5.13	Municipal Budget and Reporting Regulations (MBRR) Compliance _____	115
CHAPTER 6 - AUDITOR GENERAL AUDIT FINDINGS _____		116
6.1	AUDITOR GENERAL REPORTS YEAR - 2024/25 (PREVIOUS YEAR) _____	116
6.2	AUDITOR GENERAL REPORT YEAR 2025/26 _____	116
GLOSSARY _____		117
APPENDIX D - FUNCTIONS OF MUNICIPALITY / ENTITY _____		120
APPENDIX E - WARD REPORTING _____		121
APPENDIX F - WARD INFORMATION _____		121
APPENDIX G - RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2025/26 _____		121
APPENDIX H - PUBLIC PRIVATE PARTNERSHIPS _____		123
APPENDIX I - LONG TERM CONTRACTS AND PERFORMANCE SCHEDULE _____		123
APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS _____		126
APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG _____		130
APPENDIX N - CAPITAL PROGRAMME BY PROJECT YEAR 2025/26 _____		131
APPENDIX O - CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 2025/26 _____		131
VOLUME II: ANNUAL FINANCIAL STATEMENTS _____		136
VOLUME III: ANNUAL PERFORMANCE REPORT _____		136

VOLUME IV: AUDIT AND PERFORMANCE COMMITTEE REPORT	137
VOLUME V: AUDITOR-GENERAL'S REPORT	137

CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

Audit processes are intricate endeavors demanding a wealth of skills, knowledge, and unwavering commitment. As auditees, it is our duty to furnish comprehensive financial statements and performance evaluations for the John Taolo Gaetsewe District Municipality. We approach this responsibility with the utmost seriousness, pledging to execute our tasks with the highest standards of integrity and professionalism.

This year, upon the completion of our audits, we are pleased to report that the John Taolo Gaetsewe District Municipality obtained an Unqualified Audit Opinion with matters. These matters pertain to compliance on the utilization of grants and expenditure management. This achievement underscores the commitment of our management team to sound financial practices while highlighting areas for improvement that we are addressing with renewed vigor. Acknowledging the formidable challenges faced by the John Taolo Gaetsewe District Municipality over the past year, we recognize the substantial impacts on both the economy and the municipality’s financial health. Despite these adversities, the municipality’s management has demonstrated an unwavering dedication to enhancing performance and financial management.

We extend our gratitude to the management of the John Taolo Gaetsewe District Municipality for their tireless efforts during these challenging times. Managing a municipality is an inherently demanding task, and we commend the endeavors undertaken to secure the financial stability of the municipality.

As we embark on a new phase to implement the District Development Model (DDM), a government-driven strategy aimed at expediting socio-economic development and alleviating inequality in the country, we appreciate the prioritization of investments in underdeveloped districts. The collaborative approach involving various stakeholders, such as local government, the private sector, and civil society, is pivotal for driving development and generating employment opportunities. The DDM stands as a crucial tool in realizing the government’s objectives of inclusive growth and diminishing poverty and inequality in South Africa.

Government has also intensified its focus on strengthening local government by enhancing accountability, improving service delivery, and ensuring municipalities operate efficiently and transparently. These efforts align with our commitment to improving compliance with grant utilization and expenditure management.

Looking ahead, the management of the John Taolo Gaetsewe District Municipality has outlined plans to further enhance performance and financial management. This involves the implementation of new financial controls and systems, fortifying internal audit processes, and enhancing transparency and accountability. We express confidence that these initiatives will contribute to a more robust and financially stable municipality.

In the upcoming year, we commit to working closely with the management to identify areas for improvement and offer guidance on best practices for financial management. Together, we will build on the foundation established through our audit outcomes and the DDM to drive meaningful development and ensure the municipality meets its obligations to the community.

In conclusion, we convey our appreciation to the management of the John Taolo Gaetsewe District Municipality for their steadfast commitment to enhancing performance and financial management. We eagerly anticipate collaborating with the management in the coming year to bolster the ongoing success of the municipality.

MRS. P. Q. MOGATLE
EXECUTIVE MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1 Municipal Manager's Overview

The John Taolo Gaetsewe District Municipality has made significant strides in maintaining its financial accountability and enhancing service delivery, despite the numerous challenges that have arisen over the past financial year. This executive summary provides an overview of the key achievements, challenges, and strategic priorities for the municipality as we move forward.

Our municipality obtained an Unqualified Audit Opinion with matters, a testament to the management's commitment to transparency, accountability, and sound financial practices. The identified matters, namely compliance on grant utilization and expenditure management, have been acknowledged, and targeted action plans are in place to address these areas effectively. This achievement underscores the municipality's resilience and dedication to continuous improvement in its financial and operational management.

The socio-economic climate of the past year has posed significant challenges for the municipality, impacting our ability to deliver services and support economic growth. However, through collaborative efforts with stakeholders and the implementation of strategic initiatives, the municipality has made progress in mitigating these impacts and ensuring the delivery of critical services to our communities.

Key accomplishments during the year include:

1. **Integration of the District Development Model (DDM):** The municipality has fully embraced the DDM, aligning our Integrated Development Plan (IDP) with the One Plan and incorporating its projects into our Service Delivery and Budget Implementation Plan (SDBIP). This alignment ensures a cohesive and strategic approach to addressing socio-economic disparities and fostering sustainable development.
2. **Enhanced Financial Controls:** We have implemented measures to strengthen internal controls, enhance transparency, and ensure compliance with relevant regulations. These efforts are pivotal in maintaining our financial stability and achieving positive audit outcomes.
3. **Quarterly Reporting Framework:** Regular updates to the DDM-IGR Forum have fostered accountability and transparency while enabling productive engagements on developmental priorities.

Challenges during the year included financial constraints, the ongoing need for capacity building, and ensuring compliance with evolving regulatory requirements. These challenges are being addressed through targeted strategies, including:

- Strengthening skills development and capacity-building programs.
- Enhancing monitoring and evaluation systems to ensure compliance and efficiency.
- Leveraging partnerships with stakeholders to support resource mobilization and service delivery.

Looking ahead, the municipality's strategic priorities include:

- Addressing audit matters to achieve a clean audit in the future.
- Expanding socio-economic development initiatives under the DDM framework.
- Improving service delivery efficiency through the adoption of innovative technologies and systems.
- Strengthening community engagement to align municipal programs with the needs of our citizens.

As we embark on a new financial year, the John Taolo Gaetsewe District Municipality remains steadfast in its commitment to delivering on its mandate. We are grateful to the council, management team, staff, and all stakeholders for their unwavering dedication and support in achieving our collective goals.

Together, we will continue to build a sustainable, inclusive, and prosperous district for the benefit of all our residents.

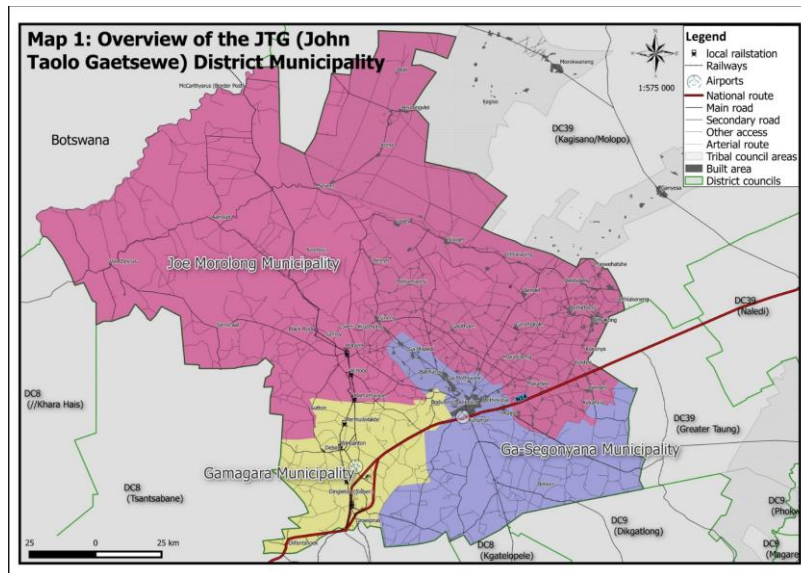
MR. K. K. TEISE
MUNICIPAL MANAGER

1.2 Municipal Functions, Population and Environmental Overview

The John Taolo Gaetsewe District Municipality (JTGDM) is situated in the Northern Cape Province and is bordered by (1) The ZF Mgcawu (previously Siyanda) and Francis Baard District Municipalities to the south and west; (2) The North West Province (Dr. Ruth Segomotsi Mompati District Municipality) to the east and northeast; and (3) Botswana to the northwest. Administratively, the JTGDM comprises three Local Municipalities: (1) The Gamagara Local Municipality; (2) The Ga-Segonyana Local Municipality; and (3) The Joe Morolong Local Municipality, which encapsulates the geographical area covered by the former District Management Area and the former Moshaweng Local Municipality. *(Source: JT Gaetsewe 2023 SDF)*

JT Gaetsewe is the second smallest district in the Northern Cape, occupying only 6% of the Province (27 293 km²). The largest area within JT Gaetsewe is the former District Management Area (DMA) with over 10 000 km². Joe Morolong covers the next largest area of 9 477 km² (JTGDM, IDP 2023-24). The JT Gaetsewe District comprises of 186 towns and settlements of which the majority (80%) are villages in the Joe Morolong Municipality.

The JT Gaetsewe Municipal Area

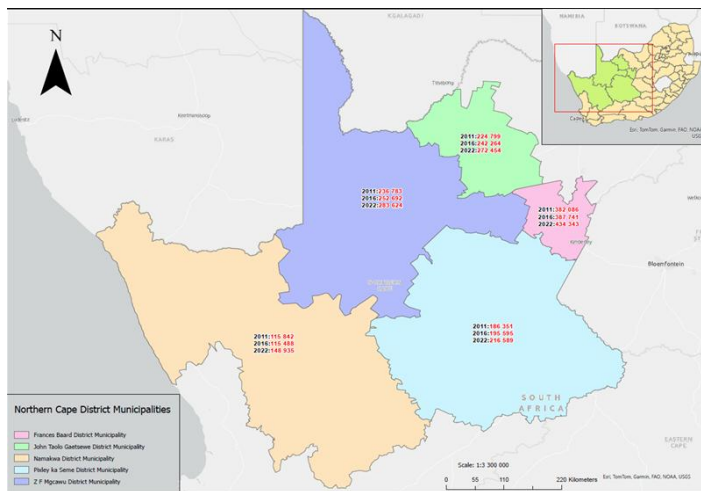


(Source: JT Gaetsewe DM 2017 SDF)

Population Demographics

The population of the John Taolo Gaetsewe District Municipality accounts for 20.1% of the total population in the Northern Cape Province. It is the third largest population size after the Frances Baard and ZF Mgcawu Districts. This position has been consistent throughout the period between 2011, 2016 and 2022.

Map 1 Northern Cape Population per District



Source: StatsSA 2011, 2016 & 2022

The district had an increase of 30 190; 242 264 in 2016 to 272 454 in 2022; indicating annual growth rate of about 1.87%. According to StatsSA (2022), there has been a major decline of about 44.9% in the population of Gamara Local Municipality in the period between 2016 and 2022; this is mainly due to the out-migration from the municipality to the Ga-Segonyana and Joe Morolong Local Municipalities.

The Gamagara Local Municipality decreased, with an average annual rate of -3.31%, the Ga-Segonyana Local Municipality had an average annual growth rate of 2.20%. The Joe Morolong Local Municipality had the highest average annual growth rate of 3.27% (Stats SA 2022).

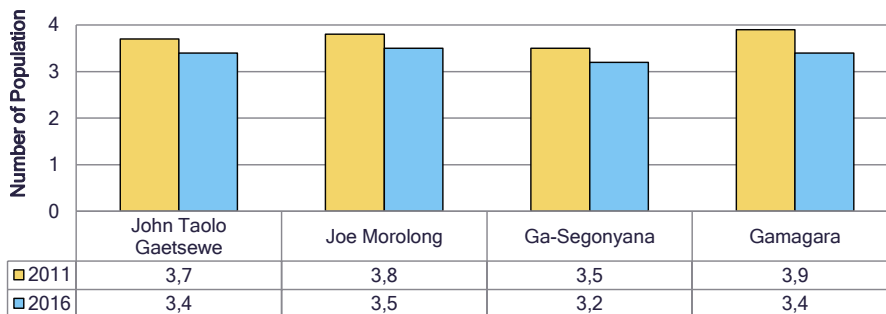
Table 1 Total Population - Local Municipalities of JTG District Municipality, 2011, 2016 and 2022

	2011	2016	2022	Average Annual growth
John Taolo Gaetsewe	224 799	242 264	272 454	1.87%
Gamagara	41 617	53 656	29 580	-3.31%
Ga-Segonyane	93 651	104 408	117 454	2.20%
Joe Morolong	89 530	84 201	125 420	3.27%

Source: StatsSA 2022

Population Distribution

The household sizes decreased from 2011 to 2016 in all local municipalities within the district. A huge decrease is experienced in Gamagara LM from 3.9 in 2011 to 3.4 in 2016, this may be due to the high number of rental accommodation status which includes the in-migration (within the district) and out-migration (from outside the district) arising from work opportunities in Gamagara LM. The low decrease in Joe Morolong LM and Ga-Segonyana LM is as a result of the increase in the number of households and high dependency due to level of poverty within the areas, especially in Joe Morolong LM where a high number of outmigration is experienced.



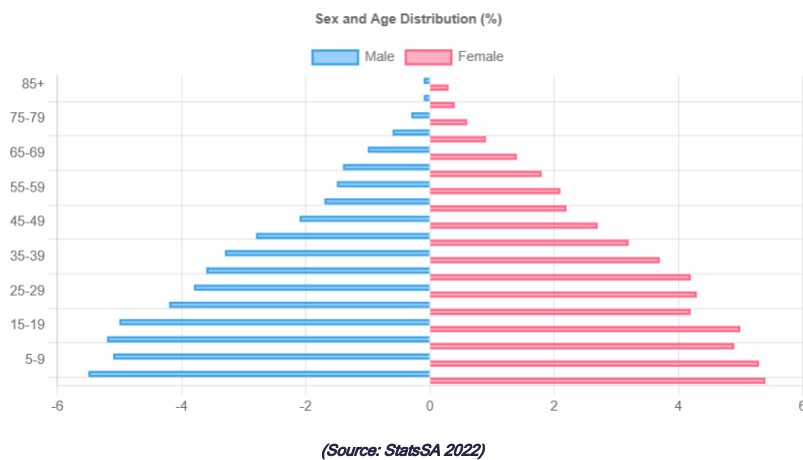
(Source: StatsSA 2016)

It is clear from figure above that the household size decreased from 2011 to 2016 in all local municipalities within the district. A huge decrease is experienced in Gamagara LM from 3.9 in 2011 to 3.4 in 2016, this may be due to the high number of rental accommodation status which includes the in-migration (within the district) and out-migration (from outside the district) arising from work opportunities in Gamagara Local Municipality. The low decrease in Joe Morolong LM and Ga-Segonyana LM is as a

result of increase in number of households and high dependency due to level of poverty within the areas, especially in Joe Morolong LM where high number of outmigration is experienced.

Age profile

The age composition is often demonstrated using population pyramid which graphically illustrates the distribution of various age groups in a population. Population pyramids are often viewed as the most effective way to graphically depict the age and sex distribution of a population including age dependency ratio, partly because of the very clear image these pyramids present. Age dependency ratio is the ratio of persons aged under 15 years and older than 64 years to those aged between 15 and 64 years in a population. This ratio has importance because it shows the ratio of economically inactive compared to economically active. Economically active people are expected to earn money, pay tax and contribute to the overall economy whereas economically inactive people are considered as the bigger recipients of government spending e.g. education, social welfare grants and health care. Therefore, the lower the ratio the better is the situation. The figure below illustrates the population pyramid for John Taolo Gaetsewe District Municipality as captured in the Census 2022.



Gender profile

The gender split in the JTGDM is 47.4% male and 52.6% female. There are generally more females than males in all municipalities with the exception of Gamagara; where there are more males than

females, mainly because of the presence of job opportunities that attract men from other areas outside the district (Stats SA 2022).

Table 2 Gender Ratio

	John Taolo Gaetsewe	Joe Morolong	Ga- Segonyana	Gamagara
Male	129166	58039	56318	14809
Female	143288	67381	61136	14771
Total population	272 454	125 420	117 454	29 580

Source: StatsSA 2022

The gender split in the JTGDM is 48.1% male and 51.9% female (South African Regional eXplorer, 2022).

Table 3 comparison Population by gender - John Taolo Gaetsewe, 2022

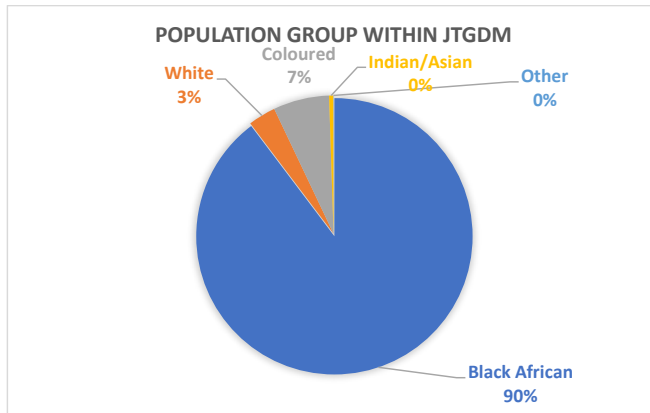
Municipality	Male	Female	Total
John Taolo Gaetsewe District Municipality	123, 796	133, 796	257, 121

Source: South African Regional eXplorer (2022)

Racial distribution

According to StatsSA 2022 the racial profile of the JTGDM is as follows: Black/African: 90%; Coloured: 7%; Asian and Indian: 0%; White: 3%; other: 0% (Stats SA 2022).

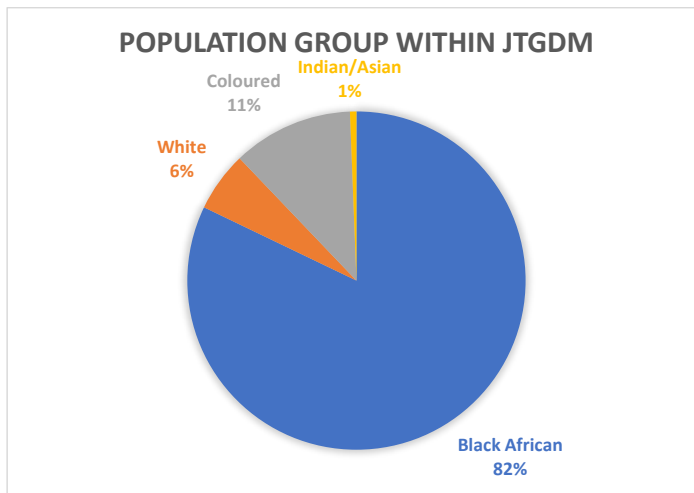
Figure 1 Population group within JTGDM



Source: StatsSA 2022

According to South African Regional eXplorer (2022), the racial profile of the JTGDM is as follows: Black/African: 82%; Coloured: 11%; Asian and Indian: 1%; White: 6% (According to South African Regional eXplorer, 2022).

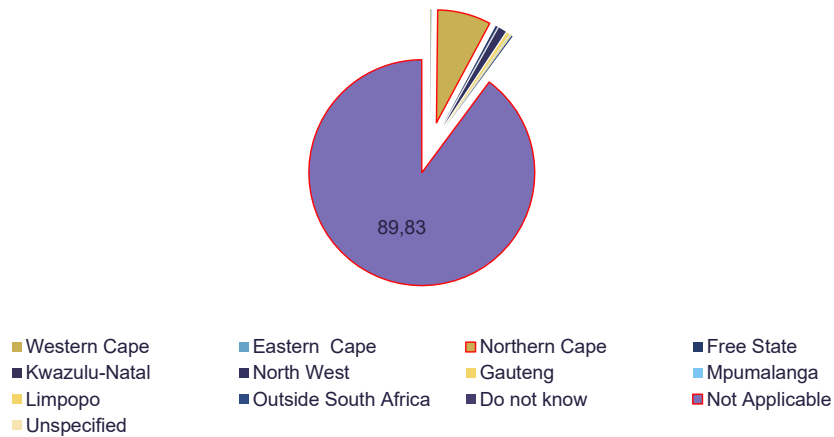
Figure 2 comparison of Population group within JTGDM



Source: South African Regional eXplorer, 2022

Population Migration

We live in a rapidly changing world in which forced migration have a significant impact on the economic, political and social agendas. The figure below illustrates the level of migration regarding the province of previous residence.



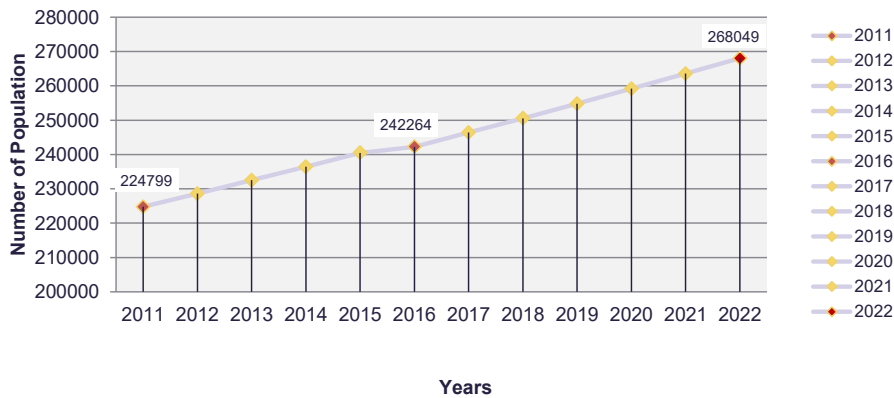
(Source: StatsSA 2016)

It is clear from the figure above that 89.83% of the population originates and still stay in JTGD. The figure above shows that 89.8% of the population in JTGD were considered “not applicable”, due to the fact that they do not influence the migration patterns. Within the local municipalities, Gamagara LM (13.7%) experiences a high in-migration within district, with Ga-Segonyana LM (12.4%) and Joe Morolong LM (5%).

In regard to the CENSUS 2022, specific data detailing the internal migration patterns—such as the number of individuals moving into or out of JTGD and within the District itself, their origins or destinations, and the demographic characteristics of these migrants—are not explicitly provided in the available sources.

Population Projections

A population projection refers to an extrapolation of historical data into the future, i.e. an attempt to describe what is likely to happen under certain explicit assumptions about the future as related to the immediate past. The District population growth as per Census 2011 and Community Survey 2016 shows a positive growth rate of 1.6 and 0.017 respectively. The figure below is an illustration of population projections of the JTGDM using the intercensal growth rate of 0.017 which shows an increasing population 268049 by 2022. This projection does not take into consideration other factors such as fertility, mortality and migration.



(Source: StatsSA 2011 & 2016)

1.3 Service Delivery Overview

The John Taolo Gaetsewe District area being mainly rural nature, lower level of service of infrastructure is being implemented, for instance water networks are of a supply targeting 200m communal taps, roads networks are prioritised to render access to social amenities like schools, clinic, etc. The service delivery infrastructure planning as implemented by the District Municipality is mainly driven by grants relating to the built industry skills development and roads asset management. All infrastructure planning and skills development grants were effectively used and spent within the financial year.

There are three modes of transportation in the District namely Road, Rail and Air. The District is engaging key stakeholders to establish a regional airport so that the public will not only rely to develop the air travel the transportation. The District had set up the Rural Road Asset Management Systems (RRAMS), and collects road, bridge and traffic data on municipal road networks in line with the Road Infrastructure Strategic Framework for South Africa (RISFSA). The systems improve the accuracy of

roads information as collected per the latest data on municipal roads and do thus guide infrastructure maintenance and investments. This if adhered to assists in the reduction of vehicle operating costs.

There are currently 3 369.01 km of municipal road network captured on the District Rural Road Asset Management System. A total of 64.540 km is block paved, 2 355.920 km is earth, 613.240 km gravel and 335.400 km flexible pavement. The Municipality maintains the Roads Asset Management Plan (RAMP) developed through the RRAMS and continues to improve data on all municipal roads to guide infrastructure investment on roads. The RAMP assists on imputing in the reduction of the vehicle operating costs and in extending the lifespan of municipal roads. The plan is also critical in the allocation of road infrastructure related grants.

Four Civil Engineering technicians are running the RRAMS programme. The technicians are trained in the road management system and they are crucial in roads data gathering and arrangement. They assisted local municipalities on planning information required for roads. The RRAMS software is shared with the local municipalities and the roads official s for each local municipality have viewer access to the programme.

Professional capacitation of graduates in the built industry under the Infrastructure Skills Development Grant (ISDG) programme is ongoing. Since inception of the grant, four Town Planning graduates trained through the ISDG programme are appointed on permanent positions in all municipalities within the District as registered professionals in management positions. One Town Planner graduate registered as a professional within the 2025-26 financial year but has not yet been appointed in a permanent position.

One registered professional Civil Engineering Technician is a permanent employee in the Technical Services Department of a nearby local municipality (Kgatelopele Local Municipality).A registered Engineering Technician who was appointed by the District Municipality, has resigned to a provincial sector department. One Civil Engineering Technician though not yet registered as a professiona, is appointed in the Joe Morolong Local Municipality. This development is relevant to the programme objectives as it enhances the built environment levels of professionalism in local government.

Reviewed business plans for the upgrading of municipal roads, manufacturing of interlocking paving blocks, capacity development in the municipality to efficiently implement Human Settlement Accreditation related functions were submitted in request of funding.

The project above is supported by the mining industry. A brick making machine is donated and there is committed to uphold the project in other areas of growth as it believed to be a significant component in the chain of upgrading roads surfaces constructed by the local municipalities.

The Integrated Transport Plan was reviewed for the 2025/26 financial year and the District will explore its implementation on achieving sustainable integrated transport in detail. In this way, a step change will be achieved by prioritising the right development in the right locations, along major road and activity route in the district.

This approach, coupled with a focus on public transport (PT), non-motorised transport (NMT) and Travel Demand Management (TDM) will reduce travel times and costs, as well as deliver important environmental benefits. This document seeks to set out the District's plans for transport within the wider context of its drive to create an equal society based on integrated communities, economic inclusion and access to opportunities.

The housing demand estimated for the planning period 2021- 2030 requires that approximately 335 hectares of land to be available in the JTG District to supply in the estimated housing backlog and another 2,246 hectares to accommodate the household growth in total with various housing options from both the public and private sector. This land need was divided per local municipality for the planning period of 2019- 2024.

Challenges remain on water borne sanitation in addressing the basic housing needs and slow progress in eradicating housing backlogs.

There are further challenges relating to informal settlements in the district, mainly in the Gamagara Local Municipal area. The situation can be attributed to the unavailability of serviced land in municipal areas, population growth in settlements driven by various factors including natural increases and in the main migration driven particularly by economic needs.

The expansion growth in the traditional land which is in the periphery of the Kuruman Town blurs the border lines and proves to be difficult to properly manage.

These challenges brought by mushrooming informal settlements are to great deal the hindering of planning processes in general, including land use, services installations and related maintenance and financial plans, and the management of related growth

Informal settlements have adverse influences on adjacent legal settlements - reluctance on services payment, property value etc.

Unplanned and thus, additional relocation resources on instances of relocations, control of illegal immigrations, vandalism of existing services infrastructure, overloading existing services infrastructure, demand for basic services and community unrest

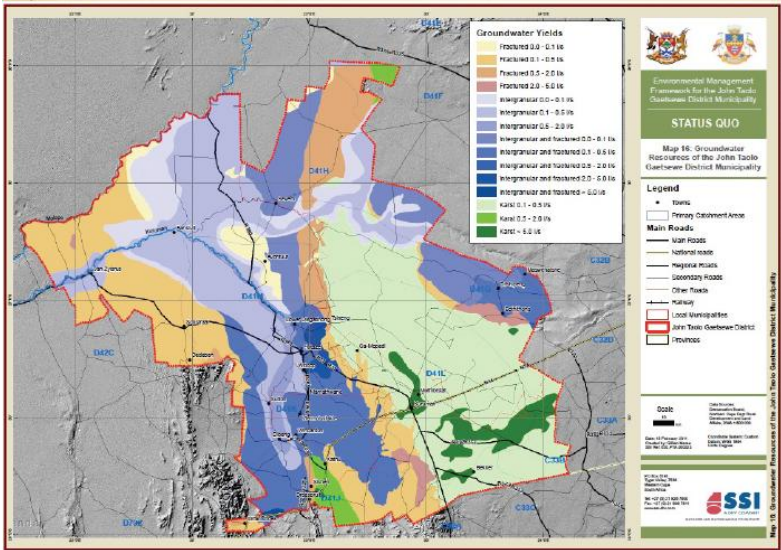
Challenges further, relates to historical traditional villages where no proper town planning procedures where not followed. Villages or amenities for villages built along flood lines is in the main a challenge in the rural villages.

Water

The John Taolo Gaetsewe District Municipality is not a Water Service Authority and does thus not have the executive authority to provide water services within its area of jurisdiction in terms of the Municipal Structures Act (Act No. 117 of 1998) or the ministerial authorizations made in terms of this Act.

The district is, however, being plagued by several challenges on the supply of water. Around 8,251 (11,5%) household has no access to the safe drinking water. The 11,5% excludes 8,7% of the population which draws water from own boreholes, rain water harvesting, water carrier/tanker or flowing water/stream/river etc. Only 37,7% have yard piped connections in their yards.

The JTGDM has a “flat” geomorphic profile, with the Kuruman hill’s ridge system bisecting the district along a north-south axis. The drainage pattern in the district is determined by this ridge system, channeling all streams northwards and then sharply westwards. Falling in the Lower Vaal Water Management Area, the most important catchment area in the JTGDM is the Korannaberg Mountains, from which the majority of the streams in the district spring and from where they drain into the Kuruman River system. (Source: JT Gaetsewe 2017 SDF Review) Groundwater yields.



(Source: JT Gaetsewe 2011-12 SDF Review)

Access to piped water

of water sources, like boreholes, operation and maintenance of bulk pipeline, operation and maintenance of reticulation network, process operation and maintenance of water treatment works to ensure rendering of portable water to the community. The sources of water supply are the aquifers located along villages and town. The water network reticulation for all the villages is the 200m radius communal standpipes beside the township and town areas which has yard connections.

The municipalities are reticulating water in all the villages however like most municipalities in semi-arid areas with insufficient rainfall, most borehole are drying up. As a way to manage and control the dwindling water resource the municipalities installed pre-paid meter in the villages however the lack of cooperation to pay services by some community members are a challenge to this initiative as they constantly vandalise installed prepaid standpipes. Access to basic services is one of the important priorities of the municipalities. Around 8,251 (11,5%) household has no access to the safe drinking water that's excluding 8,7% who managed to get water from own boreholes, rain water tank, water carrier/tanker or flowing water/stream/river etc. And because of the rural nature of the municipalities only 37,7% have yard piped connections. The Municipalities have intensified water provision through Municipal Infrastructure Grant programme as reflected on projects undertaken per municipalities. Bulk is generally still issue, which hampers provision of waterborne sewerage in townships like Vanzylsrus.

The second phase of the Vaal Gamagara water supply pipeline, which is replacing a large portion of the aged infrastructure and expanding bulk water supply schemes linked to the scheme is at project development phase. An extension of the pipeline to service areas which have a dire need of water in the localized municipalities and far north of the district is being explored as a third phase of the projects.

The following are the 2016 Stats for the District and Municipalities:

Table 1: Distribution of households by access to safe drinking water by municipality, CS 2022

Access To Piped Water	
Name	Frequency
Piped (tap) water inside the dwelling	19 063
Piped (tap) water inside the yard	9 945
Piped (tap) water on community stand	30 917
No access to piped water	6 423
Total of John Taolo Gaetsewe District Municipality	66 348

Table 2: Distribution of households by main source of water for drinking, CS 2022

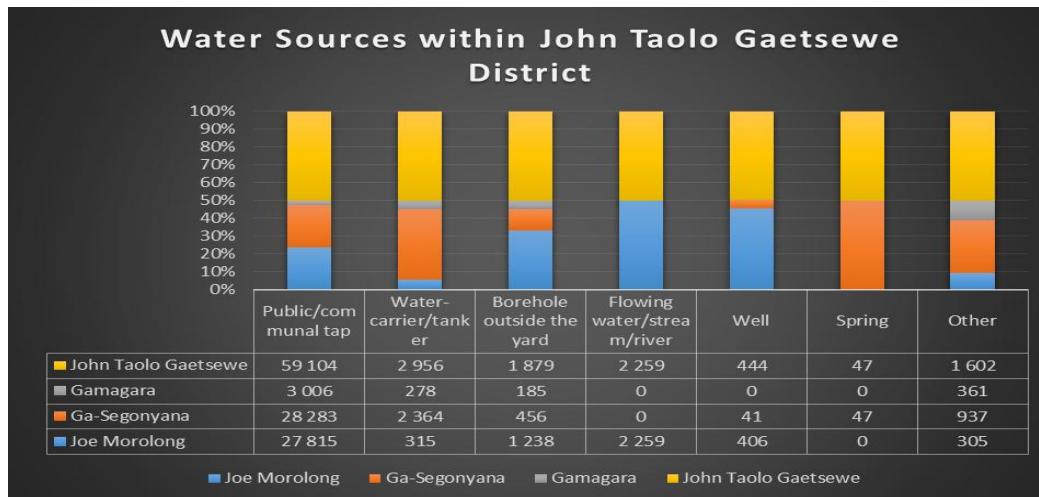


Table 3: Distribution of households by main source of drinking water supplier, CS 2016

Municipality	Municipality		Other Water scheme		Water vendors		Own service		Flowing water/stream/river/spring/rain-water		Total Households
	Households	%	Households	%	Households	%	Households	%	Households	%	
Joe Morolong	17,665	74.2	2,383	10.0	84	0.4	3,123	13.1	550	2.3	23,805
Ga-Segonyana	22,747	70.4	5,673	17.6	1,514	4.7	2,298	7.1	68	0.2	32,300
Gamagara	15,000	95.5	127	0.8	69	0.4	511	3.3	-	-	15,707
John Taolo Gaetsewe	55,415	77.2	8,183	11.4	1,666	2.3	5,932	8.3	8,3	0.9	71,812

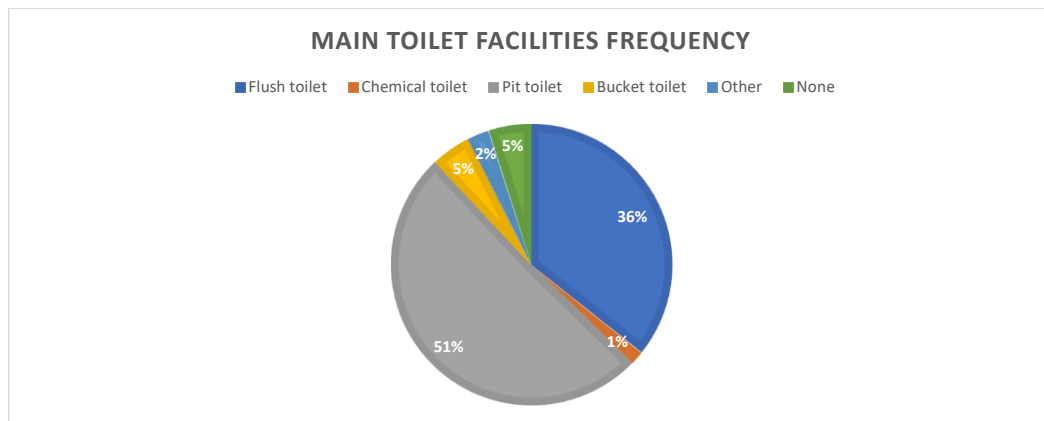
Table 4: Distribution of households by water interruptions in the last three months, CS 2016

Municipality	Water interruptions		No Water interruptions		Total Households
	Households	Percentage	Households	Percentage	
John Taolo Gaetsewe	16,483	30.1	38,356	69.9	54,838

Sanitation

Stats SA 2022, indicates that 36% of the household population in the JTGDGM has access to a flush toilet connected to a sewerage system, while (51%) households in JTGDGM have access to pit toilet. This is nearly less than half the figure for the Northern Cape Province (73%). About 51% of the population in the JTGDGM are reliant on a pit-latrine with or without ventilation. 20% higher than the provincial figure of 16% and the four other districts in the province, are below 12%. In addition to this, 5 % of the population within the district have no toilet facilities, which is sizeably higher than the provincial figure of 4.5%.

Table 28: Distribution of households by type of toilet facility and municipality, CS 2022



Source : StatsSA, 2022

The 2016 STATS, indicates that the households overall rating for sanitation services is at 45.2% and 16.7% of households have no access to sanitation.

There are challenges in the supply of both water and sanitation in the district which are:

- The provision model is hugely unsustainable. Funding for services being mainly grants funded.
- Informal and inadequately planned settlements developments are affecting the services adversely
- The uncoordinated regional services model and unexplored regional water resource capacity could be straining resources.
- Services management inadequacies - systems, metering, water over extraction, fleet, WSDP's.
- Water sources and storage challenges - e coli, nitrates and water tables, boreholes (the northern parts being the worst affected).
- Electricity supply disruptions - cut offs resulting from disruption due to cable theft.
- Vandalism - Breaking/removal of communal standpipes, theft of m/h covers, engines, cables and Diesel theft
- Revenue challenges - removed/broken prepaid standpipes, indigent registers not in place or updated.
- Personnel Capacity - not enough skilled personnel e.g. blue drop & green drop related.
- Dolomite prevalence -resulting in the requirements to install costly specialised materials. e.g HDPE Pipes.
- Aged Infrastructures, outdated pumps and Asbestos pipes that needs to be replaced.
- Ventilated improved pit-latrines not favored by some communities
- Possible water contamination due to pit latrines, animal droppings etc in villages
- Insufficient capacity of the waste water treatment plants

Refuse Removal

In the case of refuse removal, 24.63% of the population within the JTGDM have their refuse removed by the local authority or a private company at least once a week or less often. This is far below less than half the provincial figure of 64.89%. In relation to the other four other districts in the province, it is far below the figure in this regard in these municipalities which all have percentages above 75%.

	Joe Morolong	Ga-Segonyana	Gamagara	John Taolo Gaetsewe
Removed by local authority/private company/community members at least once a week	3 864	6 602	8 837	19 304
Removed by local authority/private company/community members less often than once a week	1	38	220	259
Communal refuse dump	197	167	22	385
Communal container/central collection point	343	601	716	1 660
Own refuse dump	19 447	20 535	384	40 397
Dump or leave rubbish anywhere (no rubbish disposal)	2 047	953	118	3117
Other	608	2483	134	1225

Source: StatsSA, 2022

Household level of refuse removal

	Joe Morolong	Ga-Segonyana	Gamagara	John Taolo Gaetsewe
Removed by local authority/private company/community members at least once a week	3 864	6 602	8 837	19 304
Removed by local authority/private company/community members less often than once a week	1	38	220	259
Communal refuse dump	197	167	22	385
Communal container/central collection point	343	601	716	1 660
Own refuse dump	19 447	20 535	384	40 397
Dump or leave rubbish anywhere (no rubbish disposal)	2 047	953	118	3117
Other	608	2483	134	1225

(Source: StatsSA 2022)

About 60.9% of the population within the JTGDm have their own refuse dump. In the Gamagara LM area, 84.7 % of the population have their refuse removed by the local authority/private, only 22.5% in the Ga-Segonyana LM and 14.6% in the Joe Morolong have access to such a service.

Electricity

The Part B of Schedule 4 and 5 of the Constitution in section 156(1) grant Municipalities executive authority to administer the local government matters and list as part of the powers and functions, Electricity reticulation. Part of the reticulation includes Bulk supply of electricity, the transmission, distribution and, where applicable, the generation of electricity, and also the regulation, control and maintenance of the electricity reticulation network. However only around 30% of the households in the District obtain electricity from the municipalities the other 70% is supplied directly by Eskom, and that deprives the municipalities an income generating opportunities.

The 2016 Community Survey indicates that 8,527 (11.8%) of the households are still with no electricity in the District. Majority 58 753 (81%) of the households are on Prepaid. Only around (1232) 1.7% households use alternative source of energy.

Coordination between stakeholders has slightly improved - local municipalities in the District and Eskom. Support on electricity supply strategy from ESKOM is an area of discussion. This being reflected and raised in the district planning platforms.

Access to electricity

Table 59: Distribution of households by main type of energy source

	Joe Morolong	Ga-Segonyana	Gamagara	John Taolo Gaetsewe
Electricity from mains	25 081	25 554	9 921	60 557
Gas	29	173	11	213
Paraffin	80	339	34	453
Candles	994	2 074	3 74	3442
Solar	-	477	65	1414
Other	15	1083	17	117
None	71	85	9	151

Source: StatsSA 2022

In the case of lighting, the figures in the JTGDm are very different from those for cooking with the percentage of households in the District Municipality that use electricity (91%) being less than the provincial figures of 92.5% respectively. In comparison to the situation in the four other DMs in the province, the JTGDm has the second highest percentage of households that use electricity for this purpose.

The use of candles within JTGDm has the second most frequently used source of energy for lighting (by 5.2% of the population) is also higher than the provincial figures of 4.4% respectively. This figure (in the JTGDm) is also the second highest percentage amongst the five DMs in the province. The different pattern of use of electricity by households in the JTGDm suggests that the problem is not one of access to an electricity supply/ service, but rather a case of cost/affordability.

With regards to the situation in the three Local Municipalities in the district, the percentage of households that use electricity for heating, cooking and lighting is (1) the highest in the Gamagara LM, and (2) the lowest in the Joe Morolong LM. It is especially in the case of heating where the use of electricity is very limited in the latter - only 53% use it as source vis-à-vis the 95.1% in the Gamagara LM and the 87% in the Ga-Segonyana LM (StatsSA, 2022).

Housing

The District Municipality remains a level 2 accredited municipality and has an Integrated Human Settlement Sector plan which provide the strategic direction for transforming human settlements in the John Taolo Gaetsewe District aligned to the Provincial Department s' Sector plan and local municipalities' IDPs. This transformation relates to accelerating human settlement delivery on well-located land, that provide opportunities to beneficiaries to access the property market and have sufficient access to social amenities and economic opportunities. This transformation will further support the integration of communities and the spatial restructuring of the towns and villages in the Municipal area.

Table 42: The following are household growth projections 2016, 2021 to 2024 (STATS 2016)

Backlog indicator	Total Households			Growth (Calculated)
	CS 2016	2021 Estimates	2024 Estimates	
Joe Morolong	23 919	24 159	24 304	0,2%
Ga-Segonyana	32 669	40 517	46 104	4,4%
Gamagara	15 723	24 303	31 560	9,1%
John Taolo Gaetsewe	72 310	88 979	101 968	3,6%

The using the 2016 Community Survey growth projections the household's growth in the District can be calculated to be 88 979 in 2021 and 101 968 by 2024. Using the SMEC report 2013 growth scenario for that was anticipated for 2019, the housing backlog and delivery by 2030 may be calculated as follows:

Table 43: The housing backlog and targeted delivery of housing units

		Gamagara	Joe Morolong	Ga-Segonyana	JTG
Housing Backlog 2021	Total Backlog/Need	4 440	4 817	7 441	16 698
Future Growth in Households (2021-2030) – Maximum growth scenario	Future Demand: Low Income	12,180	5,046	6,867	24,094
	Future Demand: Gap Market	9,035	765	2,657	12,457
Proposed Average Supply/ Delivery of units – 2021-2030	Total Housing Delivery/Supply Rate	2 609 units/year	1 112 units/year	1 770 units/year	5 491 units/year
	Supply for Backlog Eradication by 2030	488 units/year	530 units/year	817 units/year	1 836 units/year
	Supply for Future Growth – Low Income group (moderate growth)	1218 units/year	505 units/year	687 units/year	2,409 units/year
	Supply for Future Growth – Gap Market	903 units/year	77 units/year	266 units/year	1,246 units/year

The municipal targets for housing supply should balance their yearly allocations towards addressing the backlog, vs providing for the upgrading of informal settlements and providing for the household growth and gap market. This balance is necessary to ensure that the municipality provide for the backlog and for the income groups that increase their revenue base, and hence support the municipal financial sustainability.

The housing demand estimated for the planning period 2021- 2030 requires that approximately 335 hectares of land to be available in the JTG District to supply in the estimated housing backlog and another 2,246 hectares to accommodate the household growth in total with various housing options from both the public and private sector. This land need is divided per local municipality as follows:

Table 44: The JTG estimated land requirement

Municipality	Type	Number of households	Size per dwelling unit	Estimated Land Required by 2021
Gamagara LM	Housing Backlog, 2021	4,440	300m ²	135 ha
	Housing Demand for all income groups due to household growth	28,073	500m ²	1,404 ha
Ga-Segonyana LM	Housing Backlog, 2021	7,441	300m ²	225 ha

	Housing Demand for all income groups due to household growth	10,713	500m ²	536 ha
Joe Morolong LM	Housing Backlog, 2021	4,817	300m ²	145 ha
	Housing Demand for all income groups due to household growth	6,112	500m ²	306 ha
John Taolo Gaetsewe DM		61,596	-	2,751ha

An estimated 505 hectares are required to accommodate the housing backlog of 16,698 households in the District within the 2021 to 2024 planning term. Moreover, the total average land required to accommodate various housing options due to the household growth (an estimated total of 44,897 additional households), is estimated at 2,245 hectares within the same term. Which brings the overall land requirement of 61,596 households to 2,751 ha. *(Source: Integrated Human Settlement Sector Plan, JTG-Reviewed)*

Roads, Storm water and Transport

Storm water management in various towns and townships seeks to mainly address roads surface water drainage problems. The storm-water infrastructure can best be described as aged. In a number of cases capacity problems are also experienced, due in large part to accumulation of debris in the pipes and surface drains. This debris (gravel, silt, refuse, etc.) are not being removed to allow storm-water systems to function efficiently. In some cases, culverts crossing the roads have collapsed, grids from inlets have been stolen, which exacerbates the problem of refuse being deposited in the systems. The increased sewage influent at the various Waste Water Treatment Works (WWTW), indicates that storm-water is entering the sewerage.

Though the municipalities do not have storm-water bylaws or policies, they do have storm-water masterplans in place that will guide them on how to proceed to reduce the storm-water problems. There have not been any storm-water projects implemented in the municipalities. This indicates that storm-water management has not been a priority in the municipalities mainly because, probably because of the low rainfall in the area and related traffic volumes in the past. The initiative to compile the masterplans shows a paradigm shift towards mitigation of the storm-water risks and identification of mitigating projects to be implemented.

The Rural Asset Management Systems, is envisaged to assist the Local Municipalities in project prioritisation, maintenance scheduling and application of funding for maintenance and rehabilitation of the roads. The three local municipalities have Road Masterplans which incorporate the Storm-water master plans. There are currently 2,773.11km of municipal road network captured on the District Rural

Road Asset Management System, of which 58.4 km is Block paved, 1,595.6km is earth, 794.35km gravel and 324.76km have flexible pavement.

Table 16: The following is the total municipal road network for the District

LM MUNICIPALITY	FLEX (km)	BLOCK (km)	GRAV (km)	EARTH (km)	GRAND TOTAL (km)
GaMagara	163,57	6,10	25,92	67,85	263,44
Ga-Segonyana	133,69	34,64	229,19	862,04	259,56
Joe Morolong	27,50	17,66	539,24	665,71	250,11
GRAND TOTAL	324,76	58,40	794,35	1 595,60	773,11

The modes of transportation in the District beside road transportation are rail and air transportation. The air transportation is mainly of the private sector and as a result airport in the region are not on public grounds only. The District is spearheading stakeholder engagements for the establishment of a regional airport. The District also has an Integrated Transport Plan which is reviewed annually.

The rail infrastructure of the Northern Cape is an important element of the provincial transportation system. The rail transport is mainly utilised in the mining sectors. A railway line extends from Blackrock southwards past Sishen to Kimberley where it connects with the main Cape Town - Johannesburg line. A second line used to transport ore from this area extends from Sishen southwards to Saldanha Bay where it supplies the Saldanha Steel Plant.

Walking and cycling are the most dominant mode of non-motorised transport within the John Taolo Gaetsewe District Municipality with animal drawn transport being the least dominant and found mostly in rural low-income communities. The non-motorised transport within the District is slowly developing and has to date not been given substantial attention to reach appreciable impact in the District. The extent of non-motorised transport within the District still need to be comprehensively quantified. The non-motorised transport infrastructure has been developed in an ad-hoc fashion and there is a need for pedestrian side-walk and cycle path plan to be developed for John Taolo Gaetsewe District Municipality.

Because the District is mainly rural, the priority is to develop or improve the access roads in the villages and towns. The District assists the local municipalities in compiling the Roads Asset registers that will assist with the prioritisation of the road's construction and maintenance.

It is noteworthy that the roads agency function was moved away from the District Municipality and maintenance of provincial roads is now the sole responsibility of the Department of Roads and Public Works.

Comment on Access to Basic Services

Water, sanitation, roads, housing and refuse removal are still the biggest needs. The increase in mining related activities in the District puts severe strain on the road's infrastructure. Mass transport and alternative modes of transport must be introduced in the District in conjunction with mixed land uses, proper land management and development.

1.4 Financial Health Overview

The municipality on plans submitting its Annual Financial Statements to Auditor-General timeously on the 28 August 2025. During the financial year all existing finance related policies were reviewed and an additional policy, namely the UIF reduction strategy was adopted to strengthen the financial management of the municipality. All creditors were paid within 30 days, and there was no loan commitment.

This overview highlights the Municipality's financial performance in the 2024/25 financial year. Full details appear in the audited Annual Financial Statements for the year ended 30 June 2025.

The municipality faced serious financial setbacks mainly due to the prevailing market and economic conditions. However, such were closely monitored to ensure that the municipality continues to operate as a going concern.

John Taolo Gaetsewe District Municipality Annual Financial Statements for the year ended 30 June 2026

Statement of Changes in Net Assets

Figures in Rand	Revaluation reserve	Accumulated surplus / deficit	Total net assets
Balance at 01 July 2024	67 265 761	18 260 688	85 526 449
Changes in net assets	-	(5 048 296)	(5 048 296)
Surplus for the year	-	(5 048 296)	(5 048 296)
Total changes	-	(5 048 296)	(5 048 296)
Restated* Balance at 01 July 2025	67 265 761	13 212 394	80 478 155
Changes in net assets	-	(6 153 397)	(6 153 397)
Surplus for the year	-	(6 153 397)	(6 153 397)
Total changes	-	(6 153 397)	(6 153 397)
Balance at 30 June 2026	67 265 761	7 058 997	74 324 758

Note(s)

18

The municipality continued to maintain a Net Asset position for the year under review.

A decrease in total net asset was recorded for the 2025/26 financial year. The municipality recorded the deficit of R 5 055 679, and the revaluation reserve remained unchanged.

Below is an extract of the Statement of financial Performance:

John Taolo Gaetsewe District Municipality				
Annual Financial Statements for the year ended 30 June 2026				
Statement of Financial Performance				
Figures in Rand	Note(s)	2026	2025	Restated*
Revenue				
Revenue from exchange transactions				
Sale of goods and services	19	3 428 328	2 693 806	
Rental of facilities and equipment	20	544 538	290 725	
Other income	21	346 961	205 633	
Interest income	22	1 855 783	2 112 308	
Total revenue from exchange transactions		6 175 610	5 302 472	
Revenue from non-exchange transactions				
Transfer revenue				
Government grants & subsidies	26	122 300 498	120 495 790	
Donations received	27	2 057 482	1 094 104	
Total revenue from non-exchange transactions		124 357 980	121 589 894	
Total revenue		130 533 590	126 892 366	
Expenditure				
Employee related costs	28	(92 567 530)	(89 184 422)	
Remuneration of councillors	29	(6 977 348)	(6 836 419)	
Depreciation and amortisation	30	(6 281 979)	(6 217 696)	
Finance costs	31	(957 151)	(945 090)	
Debt impairment	33	(159 884)	(359 026)	
Bad debts written off	25	(500 824)	-	
Operational costs	34	(28 577 692)	(32 345 701)	
Total expenditure		(136 022 408)	(135 888 354)	
Operating deficit		(5 488 818)	(8 995 988)	
Gain on disposal of assets and liabilities		9 421	116 564	
Fair value adjustments	36	125 000	3 955 764	
Actuarial gains/losses	14	(799 000)	(22 000)	
Loss on biological assets and agricultural produce	23	-	(192 486)	
Gain on non-current assets held for sale or disposal groups		-	89 850	
Deficit for the year		(6 153 397)	(5 048 296)	

Revenue increased to R 130 million (2025: R126 million) with the total expenditure increasing to R 136 million (2025: R135 million).

The municipality will continue to prioritise the repairs and maintenance of assets because preservation is important for continued service delivery.

A net operating deficit of R 5 488 818 has been recorded during the year under review.

Financial Overview: Year 2025/26			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	127 355	123 559	122 300
Taxes, Levies and tariffs			
Other	7 346	8 242	8 233
Sub Total	134 702	131 801	130 534
Less: Expenditure	126 675	125 898	135 900
Net Total*	8 026	5 903	(5 366)
* Note: surplus/(defecit)			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	68,1%
Repairs & Maintenance	0,3%
Finance Charges & Impairment	0,7%
	T 1.4.3

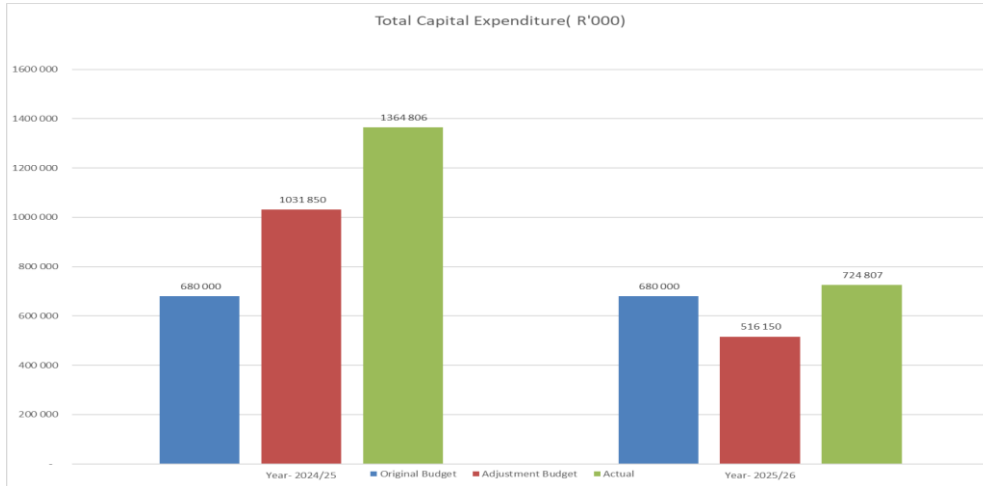
Comment on Operating Ratios

Employee costs excluding remunerations of councilors remain high at 68.1%. The high percentage is directly as a result of grant dependency and the inability to generate additional revenue.

Repairs & Maintenance relates more to items of property plant and equipment and finance charges relate to the finance lease in respect of copy machines.

Total Capital Expenditure: Year -2023/24 to Year 2025/26			
			R'000
Detail	Year- 2023/24	Year- 2024/25	Year- 2025/26
Original Budget	250 000	680 000	680 000
Adjustment Budget	1 004 815	1 031 850	516 150
Actual	1 038 159	1 364 806	724 807
			T 1.4.4

For the 2025/26 the municipality invested towards property, plant and equipment and intangibles assets. Most part of the spending being on computer equipment. The spending on the capital expenditure relates to office and IT equipment procured during the year, as well as transport assets.



1.5. Organisational Development Overview

Organisational development was done in line with the approved Workplace Skills Plan for 2024/25. Additional training as identified during the performance assessments and requests from the Training and Development Committee were also accommodated. The Municipality focused on the prescribed minimum competency training of all qualifying staff members.

1.5 Auditor General Report - Current Year 2025/2026

The Municipality received is yet to receive an audit opinion for the 2025/26 Financial Year. An audit action plan was developed for 2024/25 with the objective to sustain this audit outcome.

1.6 Statutory Annual Report Process

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	September - October
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	January
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	

Comment on the Annual Report Process

It is important that the above timetabled is followed as closely as possible. Completion of the Annual Report and especially the Annual Performance Report is of critical importance. It informs both the planning process for the IDP and also provides a tool to both Council and our community to measure our performance and progress in addressing services.

CHAPTER 2 - GOVERNANCE

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 Political Governance

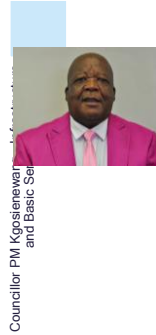
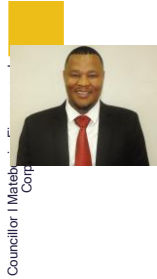


Executive Mayor: Cllr. P. Q. Mogatle



Speaker: Cllr. I. E. Aiseng

The new Executive Mayor, as the Political Head, is supported by the following Mayoral Committee Members that headed the respective portfolio committees:


COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE (New Council Inaugurated on 03 December 2021)

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Written and signed Apologies for non-	Percentage Apologies not written for non-
	FT/PT			%	%	%
Councillor PQ Mogatle	FT	Executive Mayor	ANC	100	-	-
Councillor IE Aiseng	FT	Speaker	ANC	100	-	-
Councillor KF Masilabele	FT	Chairperson: Development & Planning Committee	ANC	100	-	-
Councillor OH Kgopodithata	FT	Chairperson: Community Development Services Committee	ANC	100	-	-
Councillor I Matebesi	PT	Chairperson: Finance and Corporate Committee	ANC	90	-	10
Councillor GG Kaotsane	PT	Infrastructure & Basic Services Committee	EFF	60	20	20
Councillor PM Kgosenewang	FT	Chairperson: Infrastructure & Basic Services Committee	ANC	70	-	30
Councillor PJ Ohentswe	FT	Finance and Corporate Committee	EFF	60	20	20
Councillor TC Kegakilwe	FT	Community Development Services Committee	EFF	60	20	20
Councillor OD Mathibe	PT	Planning and Development Committee	DA	100	-	-
Councillor AI Eilerd	FT	Finance and Corporate Committee	DA	20	20	60
Councillor NG Ngesi	FT	Finance and Corporate Committee	ANC	90	-	10
Councillor N Tswere	PT	Planning and Development Committee	ANC	100	-	-
Councillor M Filipo	PT	Finance and Corporate Committee	ANC	100	-	-
Councillor TG Mosegedi	PT	Community Development Services Committee	ANC	80	-	20
Councillor N Mereotho	PT	Community Development Services Committee	ANC	100	-	-
Councillor KR Paul	FT	Community Development Services Committee	DA	90	-	10
Councillor KS Sethodi	PT	Community Development Services Committee	EFF	30	20	50
Councillor M Valela	PT	Infrastructure & Basic Services Committee	ANC	90	-	10
Councillor GM Chere	PT	Infrastructure & Basic Services Committee	ANC	90	-	10

COUNCILLORS, COMMITTEES ALLOCATED AND COUNCIL ATTENDANCE (New Council inaugurated on 03 December 2021)

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Written and signed Apologies for non-	Percentage Apologies not written for non-
Councillor TM Motsoare	PT	Planning and Development Committee	ANC	50	-	50
Councillor NM Koikoi	PT	Infrastructure & Basic Services Committee	DA	70	-	30
Councillor OA Etshetshang	PT	Infrastructure & Basic Services Committee	EFF	70	20	10
Kgosi GE Thaganyane	PT	N/A	N/A	60	-	40
Kgosi PS Bareki	PT	N/A	N/A	20	-	80

Political Decision-taking

The Council of John Taolo Gaetsewe District Municipality is made up of four Portfolio Committees which report to Mayoral Committee and the Mayoral Committee reports to Council, eventually Council takes the final decision. The decision that Council takes its either approve the reports or reject them after altering where it deems necessary to do so.

Upon decision by Council, the administration wing has to implement that decision and report back to Council in the form of Council Resolution Register. The register will indicate as to how the administration has implemented the Council decision and progress thereof.

2.2 Administrative Governance

Third Tier Structure	
Directorate	Director/Manager (State title and name)
Municipal Manager	Mr. KK Teise
Corporate Services Department	Ms. SP Mereyothle
BTO Department	Ms. CC Sibanyoni
Community Development Services Department	Mr. TH Mathhare
Economic Development Department	Ms. LM Gaetsewe
Basic Services & Infrastructure	Mr. MW Molusi (Acting Director)

**Municipal Manager**

Mr. K. K. Teise

**Acting Director: Basic Services and Infrastructure**

Mr. M. W. Motshabi

**Director: Corporate Services**

Ms. S. P. Meyotlhe

**Director: Development and Planning**

Ms. L. Gaetsewe

**Director: Community Development Services**

Mr. T. H. Matlhare



Chief Financial Officer: Budget and Treasury Office

Ms.C.C. Sibanyoni

COMPONENT B: CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

The Municipality is part of and contribute to various cooperative governance and inter-governmental initiatives by the different spheres of Government and coordinate the inter-governmental relations forums in the District.

2.3 Intergovernmental Relations

National Intergovernmental Structures

The Municipality participates in various forums at national level. These forums include MINMEC and MINTECH meetings that are attended by the Executive Mayor and Municipal Manager or their delegates respectively. Other forums include the Municipal Managers Forum.

Provincial Intergovernmental Structure

The Municipality participates in the Premier's IGR where the Executive Mayor reports on the progress made in the District at large and presents a report on behalf of all the Municipalities in the District. The Municipal Manager also attends this with the Executive Mayor and also attends the HOD Forum. Various other provincial forums are participated in by the Municipality and ranges from health and safety to water and sanitation, to social MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars, set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

Overview Supply Chain Management

MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars, set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

The Municipality's Supply Chain Management Unit is a support function for all business units within the municipality, assisting them to implement their service delivery priorities. One of the main objectives of the unit is to ensure provision of efficient, transparent, fair, equitable and cost-effective procurement services.

Below are major Supply Chain Management activities:

1.1 Demand and Acquisition Management

The SCM Unit is responsible for planning procurement activities that are aligned to the municipal budget and Integrated Development Plan (IDP) within the municipality. Meetings are held regularly with directors and managers to ensure that goods and services are procured timeously.

1.1.1 PROCUREMENT BELOW R200 000.

During the 2024/25 financial year, purchase orders were issued to various entities as indicated below.

a) Analysis of Purchase Order Issued:

Duration	PO Issued	Target Specific Group (Youth/Women/ Disable/Military veteran/ Black Owned)	Unspec ific Group	Target Specific Group (Based in JTGDM)	Target Specific Group (Based in NC Province)	Target Specific Group (Based in Local – All Provinces)
12 months	110	65	46	33	34	30

b) Quotations (RFQ) above R30 000 and below R200 000:

During the 2024/25 financial year formal written price quotations between transaction value of R30 000 up to R200 000 (VAT included) were advertised and awarded as indicated below:

Number	Quote Number	Quote Description	Awarded to	Bid Price
1	Quote No:01/2025/26	Supply and Delivery of Cleaning Materials	KSK Innovations (Pty)Ltd	R 110 000.00
2	Quote No:02/2025/26	Supply and Delivery of Laptop and Printer	Not awarded	N/A
3	Quote No:03/2025/26	Re- Advertisement Supply and Delivery of Laptop and Printer	Cancelled	N/A
4	Quote No:04/2025/26	Supply and Delivery of Eset Endpoint Antivirus	Tera Tech Consulting	R 87 400.00

5	Quote No:05/2025/26	Supply and Delivery of Kerio Connect	Tera Tech Consulting	R 161 000.00
6	Quote No:06/2025/26	Provision for Accommodation	No Submission Received	N/A
7	Quote No:07/2025/26	Re-Advertisement Provision of Accommodation in Johannesburg	Barolong Bakery and Projects	R 69 586.50

c) Implementation of the 2024/25 Procurement plan

During the 2025/26 financial year seven (7) tenders were advertised. However, they were cancelled and not awarded mainly due to budget constraints. It is envisaged that some of the bids will be advertised and awarded in the 2026/27 financial year.

Bid Number	Bid Description	Date advertised	Closing Date	Date awarded	Awarded to	Bid Price Awarded (R)
01-2025/26	Provision of cleaning services for John Tatolo Gaetsewe District Municipality for the period of 36 months	01 August 2025	02 September 2025 at 12h00	No appointment	N/A	N/A
02-2025/26	Redesign and maintenance of a municipal website for a period of 36 months	01 August 2025	02 September 2025 at 12h00	No appointment	N/A	N/A
03-2025/26	Provision of travel agency services (on arrangement) for the John Taolo Gaetsewe District Municipality for a period of 36 months	01 August 2025	02 September 2025 at 12h00	No appointment	N/A	N/A
04-2025/26	Supply and delivery of ICT equipment on	01 August 2025	02 September 2025 at 12h00	No appointment	N/A	N/A

	a rate based for a period of 24 months					
05-2025/26	Supply and Delivery of Crusher Dust and Cements for a Period of 24 Months As and When Required	19 September 2025	24 October 2025 at 12h00	05 December 2025	S & R Enterprise	Rate based
06-2025/26	Provision of Laboratory Analysis Services of Drinking Water, Sewerage Effluent and Food Sampling for a Period of 36 Months	19 September 2025	24 October 2025 at 12h00	No appointment	N/A	N/A
07-2025/26	Appointment of Service Providers to Conduct an External Quality Review On the Internal Audit Function (Once off)	19 September 2025	24 October 2025 at 12h00	12 Dec 2025	Munvat (Pty) Ltd	Rate based
08-2025/26 Re-advertisement	Supply and delivery of ICT equipment on a rate base for a period of 24 months (as and when needed)	20 February 2026	23 March 2026 at 12h00	14 April 2026	Positive Reign Holdings	Rate based
09-2025/26 Re-advertisement	Provision of laboratory analysis service of drinking water, sewerage effluent and food sampling for a period of 36 months.	20 February 2026	23 March 2026 at 12h00	No appointment	N/A	N/A
10-2025/26 Re-advertisement	Provision travel agency services (on arrangements) for the John Taolo Gaetsewe District	20 February 2026	23 March 2026 at 12h00	19 June 2026	City of Choice	Rate based

	Municipality for a period of 24 months (as and when required)					
11-2025/26	Invitation for verification and valuation of municipal own biological assets (game species) at Thwane game farm in Van Zylsrus for a period of 36 months	20 February 2026	27 March 2026 at 12h00	05 June 2026	EMS Solutions (Pty) Ltd	R839,135.00 (vat Inclusive)
12-2025/26	Redesign and maintenance of a municipal website for a period of 24 months	11 March 2026	14 April 2026 at 12h00	No appointment	N/A	N/A
13-2025/26	Provision of Tourism Indaba Exhibition stand for a period of 12 months (as and when needed)	07 April 2026	21 April 2026 at 12h00	No appointment	N/A	N/A

d) Procurement of goods through the National Treasury's Transversal Contracts

During the 2025/26 the items as listed below were procured through the National Treasury's Transversal Contracts:

ITEM NR	RT CONTRACT NR	TRANSACTION DATE	SUPPLIER NAME	PROJECT NAME & BRIEF DESCRIPTION	CONTRACT VALUE
1	RT 15 – 2021	04 June 2026	Telkom (Pty) Ltd	Provision of Telephones and Internet services for a period of twenty-four (24) months	Rate based Contract
				Total	Rate based

1.2 Disposal Management

During 2024/25 financial year the following items were disposed in accordance with MFMA section 14, and applicable Council Resolution:

1.2.1 Damaged vehicles and redundant items

ITEM DESCRIPTION		TOTAL AMOUNT
Sale of Assets: Vehicles & Redundant assets		R 263 550,00
Less: Auctioneers commission of 4,5%	R 11 859,75	
Advertisement cost	R 31 420,00	
Registration fees	R 20 412,00	
AMOUNT PAID TO THE MUNICIPALITY		R 199 858,25

1.2.2. Biological assets

During the 2025/26, there were no disposal of biological assets. The annual verification of the biological assets was done on the 02nd of July 2026 and matters thereon are disclosed on the Annual Financial Statements.

1.3 Risk Management

The SCM risk register and mitigating plans are revised regularly. The management is satisfied that identified risk are being managed and monitored as required.

1.4 Contractor Performance Management

The performance of contractors is evaluated on monthly basis as required by section 116 (2)(a) of the MFMA. Generally, the performance of contractors for various contracts within the municipality is satisfactory as indicated on **Appendix I**. The contract register has been developed and it is updated regularly.

1.5 Declaration of Interest

In order to comply with regulation 44 and 45 of the SCM regulations, due diligence is being performed to ensure that the Municipality does not do business with any person in the service of the state. All municipality staff and councillors are disclosing their business interests regularly.

1.6 Audit Action Plan

The audit action plan was developed by the management team in order to address all the issues that were raised by the Auditor-General during the 2024/25 Financial Year.

1.7 SCM Policy Review and latest developments

The municipality has adopted the revised SCM policy incorporating FIDPM in Quarter 4. The Public Procurement Act (PPA) was approved regulations thereof are still being developed by the National Treasury.

2.4. Websites

Municipal Website: Content and Currency of Material	
Documents published on the Municipality's / Entity's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report (Year -1)	Yes
The annual report (Year 0) published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	Yes
All service delivery agreements (Year 0)	No
All long-term borrowing contracts (Year 0)	No
All supply chain management contracts above a prescribed value (give value) for Year 0	No
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 1	No
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No
Public-private partnership agreements referred to in section 120 made in Year 0	No
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes

2.5. Public Satisfaction on Municipal Services

The Municipality commissioned a customer satisfaction survey on behalf of all the municipalities in the District. It was concluded during the 2015/16. Next survey will be conducted within the next 5-year cycle due to costs of survey. The findings are summarized below.

Although service protests were experienced in the District these protest were related to services provided by sector departments such as roads. Communities disrupted educational services in some areas of especially Joe Morolong Municipality because of the demand for roads. The Municipality facilitated at a political level to resolve the roads issue.

Commented [CS1]: Is this part still relevant, it is written as though we are still within the five years?

Comment on Satisfaction Levels

John Taolo Gaetsewe District Municipality commissioned a Customer Satisfaction Survey for the entire District. The Survey was also conducted in support of the Gamagara, Ga-Segonyana and Joe Morolong Local Municipalities. It was undertaken to gather information on customer requirements, their expectations on performance and measure the community satisfaction index (CSI). The survey served as a mechanism to identify and prioritize service improvement areas from a customer's perspective and provide a benchmark upon which future improvements in service delivery and customer satisfaction could be measured.

The study focused on generating information sourced from external customers (Individual & corporate, as well as NGOs, CBOs and SMMEs). This covered both the domestic, regional and international community. The study focused on a sample of John Taolo Gaetsewe District Area, Local Municipalities and other stakeholder service outlets e.g., tribal offices. This covered the communities that are resident within the John Taolo Gaetsewe District Area. The survey had a sample size of 500.

Local residents were appointed to distribute questionnaires with a target of at least 10 to achieve the overall target of 500 questionnaires. A random sample selection procedure was followed. Forms were completed using face to face contact. No telephone interviews were conducted.

The following findings have been summarised for easy referencing for Council and comprehensive reports are available at the Strategic Planning and Organizational Performance Management Unit:

Joe Morolong Local Municipality (Bothitong, Dikhing, Dithakong, Tsaelengwe, Pietersan and Washington):

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	599	117	428
Service Delivery	5115	534	924

Commented [RT2]: Please note this section is not BTO related

Ga-Segonyana Local Municipality (Mothibistad, Kuruman, Bankhara Bodulung, Seven Miles, Gantatelang, Ditshoswaneng, Thamoyanche and Mapoteng):

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	790	419	959
Service Delivery	8080	1845	2578

Gamagara Local Municipality (Gamagara, Kathu and Dibeng):

Rating	Poor 1	Satisfactory 2	Good 3
Service Experience	181	160	347
Service Delivery	1372	1028	1604

The research results may be summarized as follows and is clearly addressing almost exclusively issues related to local municipalities:

A. Service Experience

- Service points are not easily accessible
- There are insufficient staff to provide effective service
- Staff are impatient and not helpful and unfriendly
- Staff are competent and knowledgeable
- Office hours of service points are unsuitable and inconvenient
- The municipal offices close early and this affects people who work
- Areas in and around the offices are clean and neat
- Residents doesn't find it easy to reach the municipality telephonically
- Switchboard staff are not friendly and courteous
- People at the helping desk are sometimes impatient in dealing with clients

B. Service Delivery

- The water is not of good quality and clean water is not provided to households.
- Water supply is very limited in rural areas, many households do not have taps in their homes.
- Sanitation services are generally poor. The communities are not satisfied with the sewer bucket removals which they felt are ineffective, sewerage suction tanker services are not effective and the absence of waterborne sewerage systems which in some areas is very ineffectively.

- Lack of sanitation and sewerage services is severe in rural areas where some households do not have these services.
- People need to be notified when the water supply will not be available.
- Electricity bill is expensive and some areas do not access to electricity.
- People need to be notified when electricity supply will not be available.
- Roads and Storm Water need maintenance.
- Potholes are repaired within reasonable time.
- Speed humps are needed in busy areas and close to schools.
- Refuse removal in the most areas is very poor and attention needs to be paid to at least removal once a week and minimization of waste and refuse dumps that are unclean should be closed completely.
- Most areas where refuse has been removed not clean and are unhygienic.
- The refuse removal services need to be improved as some of the refuse bins are damaged by waste collectors.
- The communication between the municipality and the rest of the community needs more improvement.
- Municipal Health Services such as clinics close early while most of them have limited staff members; the service is reported as in general not satisfactory. In some rural wards there is a need for mobile clinics.
- There is a need for a hall, a park, sports facilities and a library in many areas/wards.
- Fire and rescue services are provided poorly in rural areas and there is need to expand the service to these areas.
- After hour municipal emergency services delay to respond or simply do not respond.
- The municipality's law enforcement and traffic services are mostly working in urban areas, are not visible in the rural areas.
- The rates and accounts service is generally poor.
- The accounts are often inaccurate. Billing is thumb sucked and residents don't have easy channels to complain about accounts.
- Residents in urban areas complain that they don't see the meter readers but do get accounts.
- The ward committees are functional, but regular report backs are not forthcoming.
- The municipality is not accessible to many and information published needs to be improved to be more relevant for local citizens.
- Council meetings are not always accessible.

- The residents would want to be involved in IDP/budget meetings but need to be well informed in advance.

CHAPTER 3 - SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

The Municipality continues to support the locals with roads, human settlement and water quality monitoring services whereby planning documents are developed, related information and advices are given to the municipalities. An Integrated Transport Plan is developed and being reviewed, a comprehensive identification of the roads network through the Rural Roads Assets Management System (RRAMS) is made. Replacement of mud houses is continued and is depended on funding resources allocated. The intent is to implement housing projects as guided by the Integrated Human Settlement Plan over the years. This will, however be impeded by inadequate funding resources.

There are anticipated needs for increase on human resources. This is already visible by the contract appointment of interns on certain sectors - RRAMS programme. The outcome of Assessment of Bulk Water Services will surely also shed light on areas which need to be beefed up with human resources. The Municipality on economic development had commenced in ensuring that the District Growth Development Strategy, the Local Economic Development Strategy and the Small Medium and Macro Enterprises becomes in place. The procurement processes had commenced in the financial year under review.

COMPONENT A: BASIC SERVICES

The pressing needs on services are a coordinated supply of bulk water services so as to optimize efficiency on the supply of the service. On housing needs there is huge backlog of housing as indicated in the Council adopted Integrated Human Settlement Plan which needs to be addressed. The needed services for the new townships are equally an area to be addressed. The Norms and Standards of National Home Builders Registration Council (NHBRC) that houses be built only in areas where the Geotech and Dolomitic investigation are completed has been covered in many areas within the District.

Basic Services backlogs eradication is being hampered by poor roads conditions and this continue to have an effect on transportation services which in turn places duress on the better roads. The municipality had shed light on the magnitude of roads in the municipal space and their overall conditions. This information is being used as a planning tool, to quantify the resources required in addressing these challenges in an informed manner.

3.1 Water Provision

Local Municipalities are Water Service Authorities and in some instances Water Services Providers. The District Municipality does however; support the local municipalities where feasible within the available resources.

Comment on Water Use by Sector

Though noted that there are the mining, agriculture and other water user sectors in the district, it cannot be ascertained yet what the actual volume of extraction, use and losses are. The Local Municipalities which are water services authorities cannot not avail this information as there are challenges relating to water metering still.

Comment on Water Services Performance Overall

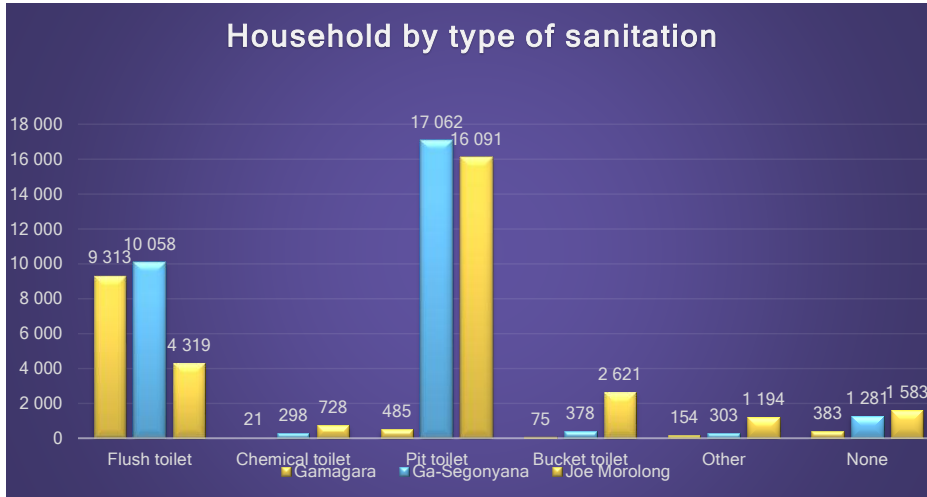
The Municipality targets to provide Bulk Water Services in a coordinated way and optimizing the district wide resources. The assessment can be attained within the approved budget. This outcome will assist in shedding light on how best the services can be performed in the district and this is being done in consultation with the local municipalities.

3.2 Waste Water (Sanitation) Provision

All of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) reported that they performed a sanitation function during the August 2008 capacity assessment review; in each case the function is rendered by the Technical Services (Basic Services and Infrastructure) Department, together with the Community Services Department in the case of the Ga-Segonyana Local Municipality (NC452), and consists in the main of the provision of waterborne and dry sanitation facilities.

In this regard it is noted that two of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) have officials managing the sanitation .

JT Gaetsewe District Municipality monitors waste and sanitation on a monthly basis from an Environmental Health perspective.



Source: StatsSA, 2022

Comment on Sanitation Services Performance Overall

The MHS function of JTGDM monitor sanitation from an Environmental Health Perspective.

3.3 Electricity

The Services is being implemented by the local municipalities and in some areas by Eskom. There had however been a big coverage of household electricity - grid supply throughout the district. The areas still mainly not covered are new establishments - particularly informal settlements and in fills. There is however plans in place to augment such shortcomings, particularly in the Ga-Segonyana Local Municipal area. There are developments on alternate energy in the district with a solar park in Kathu being established. Few villages and many cattle posts are being serviced by limited supply of alternate energy and the sustainability thereof in such instances is not well. There supply challenges in some towns, Kuruman and Kathu, where there is a need to augment the supply and in some instances the grant resources not adequate in the local municipalities.

Comment on Electricity Service Performance Overall

The District Municipality is currently not implementing the function and does engage with the locals where support is being requested.

3.4 Waste Management

JT Gaetsewe District Municipality does not provide this service.

Comment on Waste Management Service Performance Overall

JTGDM completed the IWMP for the whole district. The project was funded by DEA. A waste management forum was established at district level for support to local municipalities in implementing their IWMP.

3.5 Housing

The Integrated Human Settlement Plan (IHSP) is in place is reviewed annually. Council had approved a SDBIP which monitors the information update on an annual basis. There are projects reflected in the Human Settlement Plan and preparations of business cases are being in line with the Integrated Human Settlement Plan. The Municipality reports on matters relating to housing distress as from risks related to improper housing structures, disaster incidents and progress on projects implemented by the Local Municipalities.

Challenges are that the eradication of the housing backlogs are very slow in local municipalities, contract management challenges. The Local Municipalities had however, where there had been unsatisfactory progress terminated contracts where necessary.

Comment on the Performance of the Housing Service Overall

The performance of housing in overall is not very satisfactory due to insufficient funding, contract management challenges and aligning projects to the new Norms and Standards of NHBRC on Geotech and Dolomitic investigations. There are planning projects completed and ongoing, particularly on Geotech and Dolomitic investigations in all municipalities in the District.

There are several active human settlements construction sites relating to housing in the district. These includes the construction of 240 low-cost houses in Wrenchville, Gasegonyana Local Municipal area, where 179 has been completed, the construction of 142 houses in Siyathemba, Gamagara Local Municipal area of which 27 was completed. The water and sewer reticulation and gravel roads infrastructure installation for 5700 sites was handed over to the municipality by CoGHSTA. The Department of Water and Sanitation is intervening and budgeted funding for the feasibility study. A Budget Facility for Infrastructure Funding (BFI) request made to National Treasury. The construction of 560 low-cost housing units as infills within 10 villages of Joe Morolong Local municipal area - Heuningvlei, Makhubung, Perth, Madibeng, Segwaneng, Lotlhakajaneng, Loopeng, Padstow, Deorham and Gasehunelo (Wyk 5). The construction is at various levels, plagued by challenges to meet time frames and on instances hindered by implementation readiness of sites.

A total of 243 houses has been constructed in the Jon Taolo Gaetsewe District in the 2025/26 financial year by CoGHSTA under their programmes. 189 in Joe Morolong LM, 44 in Gamagara LM and 10 in Gasegonyana LM.

3.6 Free Basic Services and Indigent Support

Provision of free basic services is with the local municipalities - this includes identification of indigents and policies addressing the methods of how such services are being provided.

Comment on Free Basic Services and Indigent Support Overall

Indigent support and free basic services is not provided by the District, but by the local municipalities.

COMPONENT B: ROAD AND TRANSPORT

Transport within JT Gaetsewe District is characterized by a limited availability of number of transport modes, storage facilities and huge backlogs in communication. This is the reality despite the fact that Kuruman is an important distribution depot for the surrounding rural areas. The Municipality had through the development of the Rural Roads Asset Management identified the extent of the roads network and

completed the review of the Integrated Transport Plan. The roads asset system and the transport plan will guide on transport infrastructure and the all pressing transport services needing attention.

Road transportation remains a challenge on certain focal areas: existence of by-laws, law enforcement, safety on roads, limitations of resources on planning tasks, fare structures for different modes of public transportation, of taxi licensing, inadequacies of bus and taxi ranks, weigh bridges to regulate freight - where in place, being too small for the holding capacities.

3.7 Roads

All of the municipalities within the area of jurisdiction of the JT Gaetsewe District Municipality (DC45) reported that they performed the municipal roads function in each of the assessment periods under review. The function is performed within the Technical Services (Basic Services and Infrastructure) Department within each of the municipalities within the service area of the JT Gaetsewe District Municipality (DC45). All the provincial roads are being planned for, constructed and maintained by the provincial Department of Roads and Public Works.

The Integrated Transport Plan identified key transport infrastructure projects, including roads. The output on the Rural Roads Asset Management System (RRAMS) assists in guiding on prioritising roads needing attention. There is progress on district roads as being implemented by the Department of Roads and Public Works and local municipalities had also constructed some roads. The steps following the identification of roads needing attention will be followed by sourcing funding as to the projects implemented.

The roads network in the district is as below:

AUTHORITY	EXTENT (KM)	%
National Network	125	2,0%
Provincial Network	2 732.81	43,9%
John Taolo Gaetsewe District Municipality Network	3 369.01	54,1%
GRAND TOTAL	6 226.82	100%

There is, however, an extent of 706.56km unproclaimed roads in the district. 378.61km being at Gamagara LM, 231,19km at Joe Morolong LM and 96.76 in Gasegonyana LM

The municipal roads network is 3 369.01 km. The breakdown of roads surfaces is as follows:

Paved roads = 399.85 km

Unpaved roads = 2 969.16 km

The network extent per road type per municipality being as below:

MUNICIPALITY	FLEX	BLOCK	GRAV	EARTH	TRACK	GRAND TOTAL
Gamagara	171.33	7.56	6.48	93.11	0.00	278.48
Ga-Segonyana	136.89	37.57	228.76	1151.10	0.00	1554.32
Joe Morolong	27.18	19.32	378.00	1111.71	0.00	1536.21
GRAND TOTAL	335.40	64.45	613.24	2355.92	0.00	3369.01

Comment on the Performance of Roads Overall

The projects embarked on are strategic projects and no capital projects were embarked upon. Operation related function of roads is with the local municipalities, the Department of Roads and Public Works and SANRAL on the national road. A Roads Management Plan (RAMP) was developed in the financial year to assist on municipal roads planning.

There are challenges within Road reserves which are:

1. Encroachments resulting in:
 - Informal accesses on provincial roads - resulting from unplanned villages.
 - People living, trading, or grazing cattle in the road reserve is a significant issue, leading to safety hazards and congestion.
 - dumping within roads reserves
2. Vandalism on and lack of maintenance of road reserves fencing
3. Non-motorised infrastructure needs - pedestrians and cycling lanes
4. Road signage - information, direction, regulation signs etc. - faded or not in place

3.8 Transport (including vehicle licensing & public bus operation)

The Reviewed Integrated Transport Plan which has been reviewed for 2025/26 financial year, seeks to address the population and socio-economic transportation challenges by ensuring the existence of structures which initiate plans to ensure the existence of improved and maintained infrastructure and services.

Comment of the Performance of Transport Overall

The transport services are not properly regulated and maintaining a Transport forum to ensure the implementation of the District Integrated Transport Plan is a challenge. The municipalities and the Department of Roads and Public Works are embarking on capital and operational projects roads projects.

Generally, the level of service on public transport is not satisfactory due to long waiting times for public transport. The condition increases hitchhiking and this in turn make taxi operators to erect informal taxi ranks on N14 and R31. The highest volumes of public transport (taxis and busses) of areas with 15 km's of the Kuruman town and the route linking Hotazel and Kuruman ranging between 651-1300 per day.

Road freight and parking in towns are areas of concern and there is a necessity for roads infrastructure plans in the municipalities to take care of.

Major maintenance roads on the N14 on the eastern side of the district for a distance of 54,56km has commenced. A feasibility study of the N14/ R31 bypass road (The Kuruman By-pass Ring Road) is completed by the Gasegonyana Local Municipality. The construction thereof will reduce mainly heavy traffic load off the Kuruman town streets.

The 15.8 km Kuruman By-pass Ring Road was identified to reduce traffic congestion in town and to properly protect the road network intended to service the town adequately by diverting heavy traffic away from town. The first phase, connecting the N14 from the west of the Kuruman town to the R31 in the south is being surfaced.

3.9 Waste Water (storm water drainage)

The storm water function in towns is being executed by the local municipalities. There is however limited, roads associated, developments during construction of new roads but this relates to the

protection of roads infrastructure. Many existing rural settlements including informal settlements close to towns are in the risk of being below the flood lines.

Comment on the Performance of Storm Water Drainage Overall

There are no specific storm water capital projects in the district currently. The operations functions in the towns by the local municipalities are ongoing, particularly on maintenance related incidents causing flooding on roads.

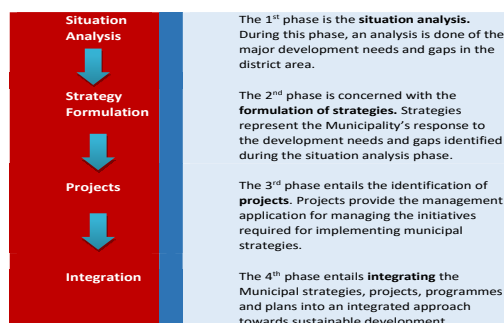
COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

3.10 Planning

The District Municipality compiles a package of plans. These plans include the Integrated Development Plan (IDP), Spatial Development Framework (SDF), District One Plan, Human Settlement Sector Plans, Local Economic Development Strategy, Integrated Transport Strategy and District Growth, District and Development Strategy. The IDP is the master plan and covers a period of five years and must be reviewed annually. The development priorities contained in the IDP are based on the spatial priorities and objectives identified in the SDF. The IDP must be aligned with all sector plans internally and externally.

PROCESS OF COMPILING THE IDP



The values, vision and mission of the municipality that are also guiding planning and development in the district and indicated in the IDP are as follows: Our core values are:

“The Vision” statement of the JT Gaetsewe District Municipality reflects its commitment to the ideal of an integrated, development-focused district, and is built on the following vision elements:

- **Development** – strive for the development of the district and its people, while also striving for own personal development;
- **Commitment** – stay committed to the vision of the John Taolo Gaetsewe DM and to serving the people of the district in whatever you do;
- **Care** – to show empathy and care towards others, while striving to promote a positive working atmosphere; and
- **Integrity** – stay true to whatever you commit to, performing your duties to the best of your ability, while conducting yourself professionally at all times

Vision

“Economic hub of excellence for a sustainable, innovative, and competitive district.”

The vision statement of the JT Gaetsewe DM represents an ideal of what it wishes to achieve. It represents the main and ultimate deliverable of the municipality. The focus is on the value that the municipality aims to create and add for the communities of the district.

Mission

To drive inclusive economic growth and sustainable development through transparent governance, effective service delivery, and coordinated support to local municipalities. We are committed to empowering communities, fostering partnerships, and enhancing infrastructure to ensure a prosperous and resilient district that benefits all its residents."

The above-mentioned mission statement reflects what the municipality will do in an ongoing manner to constantly striving towards achieving its vision. The District Development priorities indicated in the IDP are as follows:

- Water & Sanitation
- Roads & Transport

- Local economic development (LED)
- Land development and reform
- Integrated human settlements
- Sustainable Development Orientated Municipality
- Environmental management and conservation and climate change management
- Promotion of health in the District
- Disaster management

The District Reviewed Spatial Development Framework (SDF) was concluded in 2022/23 Financial Year. The reviewed SDF is compliant with Chapter 4(21) of the SPLUMA (Act 16 of 2013). Spatial Development Frameworks are long terms plans that are reviewed every 5 years and can only be amended through a legislatively prescribed process.

The reviewed SDF vision of the District Municipality is as follows: ***“A Smart and Developed District with thriving mining and manufacturing sectors linking to export markets, and further empowering and providing opportunities to local communities through a diversified economy that prioritises agriculture and tourism while ensuring continuous environmental sustainability.”***

Strategic objectives define what the municipality wants to achieve in terms of its developmental agenda and in line with achieving the spatial vision for the DM. Below is an overview of the Objectives and Strategies developed for the JTGDM in line with its spatial vision. In support of the vision, the SDF provides a spatial structure that would promote the following development objectives:

OBJECTIVES	STRATEGIES
Attract new business (especially manufacturing linked to other sectors e.g., mining, agriculture) to the district in a focused/core area.	• Creating an enabling environment that caters to Investment and income generation for the district; including the projects such as Iron Smelter and Sinter Plans and Agri-Park, which will form the Farmer production support units (FPSUs), Agri-Hub (AH) and Rural-urban Market Centre (RUMC). • Uplift the skills base of communities to allow them to be able to earn a living. • Investigate potential or enhance existing tourism opportunities.

Create a spatial structure that would maximise the accessibility of the dispersed population to a range of services and facilities.	Spatial accessibility will be planned in phases whereby the following will be taken into consideration: • Combine and densify settlements where appropriate. • Promote the integration of sprawling settlements. • Prioritize, keep, and upgrade strategic link routes. • Prioritize access to Social Amenities to support community livelihoods.
Encourage economic diversification while enhancing the already-existing economic activities within the region.	• Diversifying the economic sectors within the district will be addressed by promoting the following: • Special Economic Zone • Agri-Park, which will form the Farmer production support units (FPSUs), Agri-Hub (AH) • Smelter development • The development of Integrated Sustainable Human Settlements.

The reviewed SDF supports the SPLUMA principles and the incorporation thereof is indicated as follows:

SPLUMA Principles	Spatial Application in JTGD SDF
Spatial Justice	• Directs the DM SDF process to seek spatial planning and land use management solutions that effectively promote redress of circumstances that were caused by past politically based policies, which resulted in inequitable and fragmented spatial arrangements in urban and rural settlement layout designs as well as unequal levels of access to land and associated resources. • Highlights the need to find opportunities where the spatial configuration of settlements and/or land holdings may be transformed by the development of strategically located land to promote the integration of settlements and better-located opportunities for the socio-economic upliftment of disadvantaged communities. Strategic imperative: • Find spatial integration opportunities and implement sustained programmatic interventions to achieve spatial transformation and the development of key, centrally located sites within the district

Spatial Sustainability	• Places emphasise balancing land development and market-driven initiatives against the imperative to conserve the natural resource base (ecological infrastructure) and to manage resource usage sustainably. • Highlights the need to ensure that the provision of infrastructure and social facilities – including the post-development maintenance thereof – is adequately planned for. • Again, emphasises the importance of consolidating settlement footprints and promoting spatial integration. • Directs that spatial planning strategies should prioritise long-term sustainable solutions rather than short-term political and/or market-driven initiatives. Strategic Imperative: • Embed Evidence-Based Wise Land Use Management and ensure that all land development decisions lead to sustainable outcomes where residents are well-connected to social and economic opportunities and have access to adequate infrastructure and social services that are within the financial means of JTGDm to develop and keep over time.
Spatial Efficiency	• Promotes compaction of settlements and the avoidance wherever possible of extending settlement footprints or the development of so-called satellite townships that was a feature of apartheid settlement strategies, which require the extension or development of new associated services infrastructure networks. • Also addresses the need to strengthen the positive and reciprocal relationships between urban settlements and rural hinterland areas by finding what urban settlements do for the rural areas and how the assets and livelihoods offered in the rural areas hold benefits for the urban parts of JTGDm. • Places focus on urban design interventions to promote mixed land uses in proper localities as well as improve the quality of public spaces. Strategic Imperative: • Promote and implement more compact spatial development in both urban and rural settlements, with a wider mix of land uses to promote the efficient use of scarce resources and build on existing infrastructure networks
Spatial Resilience	• Emphasizes the need to be more aware of the challenges of climate breakdown as well as unforeseen and potentially extreme events, and to plan accordingly. • Highlights the need to allow for flexibility in urban design and urban management. Strategic Imperative: • Ensure adaptability in JTGDm'S planning and development programmes to accommodate spatial planning and land use management changes needed by climate breakdown and socio-economic trends. • Resilience against the effects of a pandemic

Good Administration

- Directs that spatial planning and land use management are core municipal planning activities to be underpinned by cooperative governance arrangements.
- Again, emphasises the importance of speedy administrative processes in dealing with land development.
- Directs the DM SDF process to seek spatial planning and land use management solutions that effectively promote redress of circumstances that were caused by past politically based policies.
- Highlights the need to find opportunities where the spatial configuration of settlements and/or land holdings may be transformed by the development of strategically located land to promote the integration of settlements and better-located opportunities for the socio-economic upliftment of disadvantaged communities.

Strategic imperative:

- Find spatial integration opportunities and implement sustained programmatic interventions to achieve spatial transformation and the development of key, centrally located sites within the district

SUMMARY OF THE CROSS-BOUNDARY AND CROSS BORDER ASSESSMENT

This section shows the dependency of the LMs, DMs and neighbouring countries on each other.

JTG is a region in the Northern Cape Province's north that borders Botswana to the west and includes three district municipalities and six local municipalities. High migration from neighbouring municipalities into the district in quest of mine work prospects, as well as intermigration, were noted as potential clashing issues.

Kuruman and Kathu play a prominent role in the distribution of goods and services.

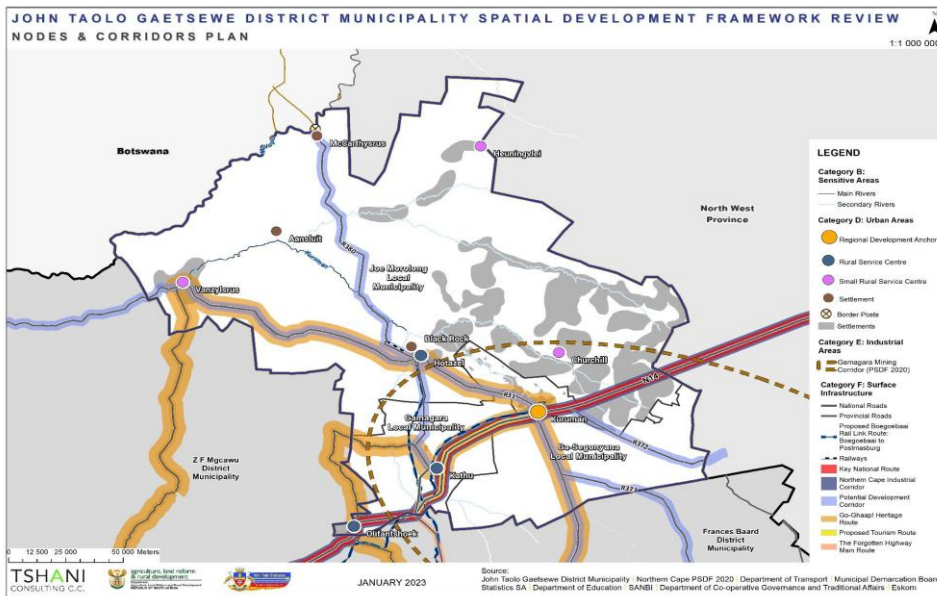
The arrows show the dependency of the other town concerning the regional towns. The mining area around Kuruman, Postmasburg, Danielskuil and Kathu has a mining integration.

Lastly, DRRSM has the challenge of contaminated underground water sources, however, Joe Morolong Local Municipality identified areas close to the boundary as the rural regeneration zone. There will be an urgent need for water infrastructure to support any development in this area. The other cross-boundary assessment does not have a conflicting issue with JTGD spatial planning but needs to strengthen the alignment that boosts economic growth and ensures sustainable development.

To ensure sustainable planning, cross-boundary assessment plays a significant role and gives a direction on how to strategically plan without causing any conflict between the neighbouring municipality.

Corridor	NSDF	PSDF	DSDF	Recommended Term	
N14	Key National Roads	Provincial routes	National Road	Key National Roads	
R31		Main Road	Arterial Road	Potential Corridor	Development
R380		Main Road	Main Road	Potential Corridor	Development
R372		Main Road	Main Road	Potential Corridor	Development
R373		Main Road	Main Road	Potential Corridor	Development

Figure 3 JTF Nodes and corridors



Source:

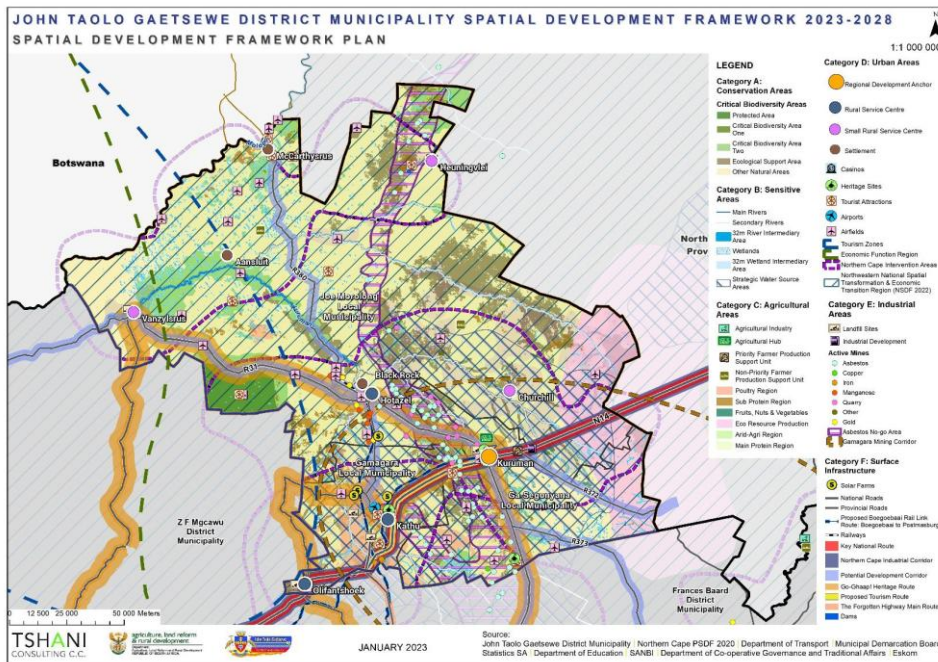
DSDF, 2023

Nodes is a term typically used to describe cities, towns, and villages. This tends to work against the need to achieve rural development through the integration of urban and rural areas. Nodes are

described as areas of mixed-use development, usually having a higher intensity of activities involving retail, transportation, office, industry, and residential land uses. Nodes are usually located at interchanges to provide maximum access and usually function as catalysts for new growth and development.

A “Development Corridor” is normally used to symbolise the area where important economic activities are to be encouraged along a particular route. Development Corridors are identified for spatial and economic planning purposes, as roads and/or railway routes associated with the movement of goods and people. The high transportation function creates the opportunity for economic activity to take place along these movement corridors, particularly at junctions.

Figure 4 Spatial Development Framework



Source:

DSDF, 2023 - 2028

The overall Municipal Spatial Development Framework is an accumulation of all the identified frameworks; built environmental, socio-economic, and biophysical frameworks. These frameworks thus serve as the basis for the future development trajectory of the municipality.

JTG- PREFERRED GROWTH SCENARIO

It aims to look at managed growth to ensure that consideration is taken to sustainable development, as well as high-priority growth sectors which require attention. The aspects of the preferred growth scenario are as follows:

- Long term infrastructure projects aligning to the growth projections of the district
- Focus on the natural environment for economic growth.
- Broad based government expenditure aimed at addressing social needs in poverty-stricken areas.
- More tax revenue is generated- creation more scope for social investment in low growth areas.
- Addressing tourism potential in the district.

KEY ISSUES

- A persisting and deepening prevalence of poverty, a lack of economic development and unregulated settlements expansion, particularly in the Joe Morolong and Ga-Segonyana Local Municipalities.
- A growing threat of unplanned and unmanaged settlements expansion and an absence of traffic management in the core town in the district.
- Lack of regulatory framework for land use management in traditional areas.
- Vulnerability of the water service authorities within the district.
- An economy which has a strong mining sector, but which is otherwise undiversified and vulnerable.
- An already harsh climate, which is set to get worse due to global warming.
- Decline in the number of households involved in agricultural activities.
- Lack of a proper Environmental Management Framework (EMF).

Comment on the performance of physical planning overall

The Municipality commenced with the following physical planning projects:

- Human Settlement Plans - completed. Funding is dependent on grants and unfortunately limits the roll out of projects. **Reviewed annually.**
- Integrated Transport Plan - Consultation of the final draft was concluded in the 2017/18 Financial Year. **Reviewed annually.**
- The Rural Roads Asset Management Strategy project is a multi-year project is progressing well and is still unfolding.
- Integrated infrastructure plan - development of the plan commenced and will be concluded in phases due to lack of information and funding. **Reviewed annually.**
- Air Quality Section 78 Assessment was reviewed on the 2023/24 FY and tabled at council on the 31st of July 2024.

3.11 Local Economic Development (including tourism and market places)

LED is the function under which the following programmes are implemented as priorities:

- **Tourism**
 - Tourism Awareness Campaigns
 - Entrepreneurial support
 - Cleaning Campaign
 - Skills Development
 - Schools Tourism
 - Women in tourism
- **Comprehensive Rural Development Programme(CRDP)**
 - AGRI- Park project
 - Support Agriculture Cooperatives (Youth and Women)
 - Enterprise development
 - Support to local emerging farmers
 - Management of commonage farms
 - Agricultural Programs
 - JTG Rural Development Plan
- **SMME**
 - Enterprise development
 - Supplier development
 - Database development

- Help develop Business plan
- Lobby for funds for Enterprises

Comment on local job opportunities

The mining sector created more jobs, followed by Sectoral Departments and Tourism in the District. Provincially unemployment stand at 28% and John Taolo Gaetsewe District at 28,5%. Municipalities plan to have a mining Supplier Day/awareness for communities and business people (StatsSA, 2016).

Comment on local economic development performance overall

Each local area has a unique set of opportunities, problems, and has developed an LED strategy that is specific to its local context. The local municipalities agreed in line with the legislation that the JTG District municipality can run/drive the following priorities:

Eight priorities:

- Tourism development and running of office
- Support SMME's and Cooperatives
- Coordination of Social and Labour Plan
- Support to Local Emerging Farmers
- Infrastructure: Roads and bulk water
- Agri-Park Mega Project
- DPMT coordination
- Regional Development agency

The Local Economic Development (LED) and Tourism Unit got involved in number of initiatives and activities that steered economic development in the District for the period under review. These events have big economic benefits to the business and community at large as they create temporary job opportunities to the residents of the District and they are not limited to the following:

- Africa's Travel Indaba
- JTG district flea market

CRDP

The Unit envisaged to work together with relevant sectoral Department in all spheres to harness resources and avoid unnecessary duplication of projects for community development. Fourteen

Agricultural cooperatives are assisted by the Cooperative Grant. John Taolo Gaetsewe District Municipality facilitated the process and it will be an ongoing effort.

Implementation of the Agri-park is of great help to local farmers. The coordination of farmers in JTG District is on track. The Pilot Project (Heuningvlei Farmer Production Support Unit) hand-over by the Deputy President was postponed to the next financial year hopefully in September 2023. It must be noted that according to National Department, Heuningvlei Farmer Support Unit is one of the best in the Country and it is getting a necessary attention even in Parliament (FPSU) The following was purchased for the Project:

- Two Trucks (10 Ton)
- Two Toyota Single cab Bakkies (GD6)
- Deeping Spray
- Crate Neck Clamps
- 30 Bonsmara Bulls
- Mobile Kraals

Progress to date (With Heuningvlei FPSU)

In 2018, through the services of Urban Econ Service Provider, we drafted the Heuningvlei Farmer Production Support Unit business plan together as a District. That business plan enabled us to establish the Heunngvlei FPSU as it currently is. However, it has now been 5 years and that business plan needs to be updated and more importantly there is a need for a business plan that will map an exit strategy of governmental support of the FPSU.

The Department has requested assistance from our sister Chief Directorate: Small Business Development, to assist with the update of the Heuningvlei Business Plan. They have requested for an active participation of key FPSU stakeholders in the drafting of the Business Plan. The plan is to offer a skills development training for three days on the drafting of a business plan (as a form of skills transfer) and to continue for the remaining two days with the actual drafting/ updating of the Heuningvlei FPSU Business Plan. This Business Plan is actually an exit Strategy for Department to allow/prepare farmers to run the FPSU effectively, efficiently and independently.

Farmer Production Support Unit (Ga-Segonyana - Yale Farm)

The Department of Rural Development has appointed a Service Provider to develop a Business Plan. The Department is currently mobilizing farmers that are within a 60KM radius including those in

Gamagara. As soon as the mobilization is finalized, the Department will then formalize them into a Cooperative.

COMPONENT D: COMMUNITY AND SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

The District Municipality only perform municipal health services. Other services are provided by the local municipalities where those functions are assigned to them and where they have the resources to do so.

3.12 Cemeteries and Crematoriums

The MHS section of JTGDGM monitors Funeral Undertakers and Mortuaries in terms of the National Health Act and regulations.

Service Statistics for Cemeteries and Crematoriums

Funeral Undertakers and Mortuaries are regularly monitored for compliance in terms of the National Health Act, 61 of 2003.

Comment on the performance of cemeteries and crematoriums overall

JTGDM monitor Cemeteries, funeral undertakers and mortuaries as part of the Municipal Health function - disposal of the dead. Fencing of cemeteries is on an annual basis implemented. Eleven cemetery sites were fenced in both Joe Morolong and Ga-Segonyana Local Municipalities.

3.13 Child Care, Aged Care, Social Programmes

The MHS Section of JTGDGM monitors Environmental Health risk factors at Child Care Facilities as part of the MHS function.

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection. The Department of Environmental Affairs (National) has approved funding for Environmental Protection and Infrastructure Programme (EPIP). The Department remains committed in supporting municipalities through funding initiatives that enhance the protection of environment and responsible use of natural

resources. A number of projects has been approved and are implemented from 2017/18-2021/22 MTEF Cycle in the local municipalities.

The projects are as follows. Waste Management and Greening; Greening and Open Space Management; and Establishment of a Game Farm.

3.14 Pollution Control

Environmental Pollution Control is conducted in terms of the Municipal Health Services function within the scope of the National Health Act.

Comment on the performance of pollution control overall

Monitoring of Environmental Pollution is conducted in terms of the Municipal Health function within the scope of the National Health Act, 61 of 2003.

3.15 Bio-diversity; Landscape (incl. open spaces) and other (e.g. coastal protection)

This service is not provided by the District Municipality.

COMPONENT F: MUNICIPAL HEALTH SERVICES - MHS

This component includes Preventative Care to be rendered by John Taolo Gaetsewe District Municipality. The 9 Municipal Health functions defined as Environmental Health was delegated to District and Metro Municipalities in South Africa and is an Original Function of Metro and District Municipalities. Environmental Health is the only preventative health service designed to identify and contain environmental risk factors that have a detrimental effect to the health of communities.

3.16 Clinics

The Municipal Health function at JTGDM monitor Health Care Facilities from an Environmental Health perspective.

Comment on the performance of clinics overall

As indicated Health Care Facilities and Hazardous Medical Waste are monitored by the Municipal Health Section of JTGDM from an Environmental Health perspective.

3.17 Ambulances

This service is not provided by the District Municipality, but by the Provincial Department of Health.

3.18 Health Inspection; Food & Abattoir Licensing; Inspections; Etc.

MHS is a District and Metro Municipal function and consist of the following:

The National Environmental Health Policy, No. 951 of 4 December 2013, as Gazetted by the Department of Health, define the functions of Municipal Health Services.

Section 9.3 Describe the roles and responsibilities of Metro and District Municipalities:

9.3 Municipalities are the key intervention level for delivery of EHS. These services are outlined in the Scope of Profession for Environmental Health, R 888 of 26 April 1991, as amended. The Municipalities must adequately budget and allocate resources, including allocation of resources, such as human and material to ensure effective implementation of EHS delivery. Municipalities must formulate systems and procedures for EH delivery in line with the national norms and standards and to ensure compliance with national environmental health legislation and standards. Environmental health service delivery plans aligned to their IDP should be in place in municipalities. The policy emphasizes the need for a partnership approach by all spheres of government in the provision of EHS; which will require the involvement of key partners and stakeholders, including the community and private sector.

Environmental Health Priority Programs

EHS Priority Programs is described in point 10.1 to 10.10. with the following interventions in mind:

- Environmental Health Impact Assessments
- Risk assessment and risk management approach
- Best Practice in Management of Health care Waste
- Best Available Techniques (BAT) in addressing pollution matters.
- Research in the implementation of policy, resource allocation and use.
- Keeping of records and support systems, inventories and data systems of sampling, inspections and awareness.
- Adoption and implementation of a project management approach in EH to ensure optimal use of resources and is a prerequisite for proper functional risk assessment and management system.

PRIORITY AREAS

10.1 Environmental health education

Environmental health education remains the most effective means to improve hygiene practices amongst individuals and communities. Participatory approaches such as PHAST should be emphasized as the best means to ensure sustainable behavioral change and hygiene practices. Community empowerment, awareness and improved health seeking behavior should be the crucial goal of health education. This must, in the long run lead to improved health outcomes thus contributing to long and healthy life for all South Africans.

10.2 Food control

Poor food hygiene contributes to infection and poisoning due to microbiological contamination of food by deficient practices and technologies in food production, processing, transportation and storage. Surveillance of food safety must be carried out wherever food is manufactured, processed, stored or served. To manage food safety, it is imperative to have updated knowledge on the current trends and situations with regards to the spread of pathogens in the food production chain. The target for this work must be food handlers, food outlets, industry and vendors.

10.3 Water quality monitoring

Poor quality water is attributed to waterborne related diseases. Water quality monitoring based on a risk management approach is the best means of ensuring fitness of water for human consumption. Collaboration with relevant departments, such as DWA Municipalities is very critical in water quality monitoring and disease surveillance programs.

10.4 Vector Control

Mosquitoes and other vermin such as flea, lice, cockroaches and mice must be controlled. Where chemical control is preferred to biological means, care and control must be taken not to contaminate the environment, food and water. Collaboration with the DAFF is necessary in achieving the objectives of this policy with special reference to vector control.

10.5 Waste management

Proper management of waste is important. EHPs should in collaboration with the relevant departments, such as DEA, offer a range of technologies for waste management and pollution prevention. Medical waste must be managed separately.

Monitoring of mining waste and the health risks pertaining to mining waste, particularly gold and uranium is essential. The release to the environment of mining waste can result in profound and generally irreversible destruction of ecosystems and contamination and pollution of environment in which people live.

10.6 Port Health

Port Health Services (PHS) are essential and the first line of defense in the management of diseases of international concern. Consignments whether foods or other products, including conveyances must be controlled at all points of entries in the country. In doing so the department should comply with the International Health Regulations and other relevant legislation, international conventions and agreement.

In addition, locally, environmental health aspects should be maintained at point of entries since these are first points of contacts for visitors and travellers.

10.7 Environmental pollution control

Environmental pollution in the country is governed by the National Environmental Management Act. In carrying out environmental pollution duties, EHPs should be conversant with the provision of NEMA and requirements for its implementation. Implementation should be done in collaboration with DEA and other agencies and focus should be on protecting children, the elderly and to ensure impact assessment of all activities that are likely to negatively affect human health.

Environmental Health Managers will conduct training, orientation, induction and retraining of EHPs in order to ensure that the National Environmental Management Act (NEMA), 107 of 1998, as amended is fully understood and implemented, as well as other legislation aimed at protection of the environment and health.

10.8 Control and monitoring of hazardous substances

Control of hazardous substances is legislated in terms of the Hazardous Substances Act. In enforcing this legislation, EHPs should work in collaboration with relevant stakeholders such as DOT and DEA to ensure the correct labelling, storage, disposal and transportation of hazardous substances.

10.9 Compliance monitoring and enforcement

Although the policy emphasizes the need to environmental strategies to strike an appropriate balance between promotion, education and law enforcement, where voluntary compliance is unattainable, enforcement and prosecution should be a viable option for securing environmental health

improvements. Effective enforcement of available legislation is essential to protect public health. EHPs shall seek collaboration of Safety and Security agencies to ensure enforcement and prosecution of perpetrators.

Province and Municipality should ensure compliance to environmental health related legislation, through compliance monitoring activities at provincial and municipality level. The principles of enforcement and compliance policy should be based on the level of risk, external and internal prevailing conditions, infringement of human rights, and impact on the environment. In undertaking the enforcement activities, EHP's should be fair, independent and objective. The decision to enforce compliance must fair, just, impartial, balance without prejudice.

10.10 Appointment and authorisation of EHP's

For environmental health compliance monitoring and enforcement of relevant legislation, EHP's must be appointed by either National or Provincial government, District or Metropolitan Municipality or the private sector. Only EHP's that are registered as such with the HPCSA, and are in good standing may perform EH functions as outlined in the Scope of Profession for Environmental Health. In addition, EHP's must be duly authorised in terms of any relevant legislation requiring authorisation for implementation.

- (a) The National, provincial and local sphere of government must appoint Environmental Health Workers to carry out environmental health duties at national, provincial and local levels of government.
- (b) The Minister of Health, MEC of Health or the Mayor of a District or Metropolitan Municipality respectively must designate an environment health worker in the employ of the national department, province or municipality, as the case by be, as a health officer in terms of Section 80 (1) of the National Health Act, 2003 (Act No. 61 of 2003) to perform environmental health related duties and enforce provisions of the Act.
- (c) Environmental Health Assistants registered as such with the HPCSA may only conduct environmental health duties under supervision of an Environmental Health Practitioner registered as such with the HPCSA.
- (d) For provision of Port Health Services, Port Health Officers must be assigned in terms of Section 35 (1) of the International Health Regulations Act, 2005 and be authorized to perform duties imposed on a Port Health Officer by the International Health Regulations.

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc. Security and Safety is not a District Municipality function.

3.19 Police

Security and Safety is not a District Municipality function.

3.20 Other (Disaster Management)

1) ACTIVITIES DURING THE YEAR

1.1) Attendance of meetings

- District Disaster Management Advisory Forum Meetings commenced on quarterly base
- Disaster Management Unit meetings commenced on a monthly base.
- Road Incident Management System meetings commenced on a quarterly base.

1.2) Contingency Planning

The following Contingency Plans were compiled and submitted.

- Winter Season Contingency Plan
- Heavy Rain Contingency Plan
- Veldt fire Contingency Plan
- Contingency Plan for the Festive Season of 2025/26
- Contingency Plans for the Easter weekend of 2025/26

1.3) Compilation of reports

- Compilation of 4 Quarterly reports for the JTGD Council.
- Compilation of 4 Quarterly Reports for the Provincial Disaster Management Centre
- Compilation of Annual JTGD Report
- Compilation of Annual Provincial Disaster Management Report

2) RESULTS OF PREVENTION AND MITIGATION INITIATIVES

2.1) Road Incident Management System Workshop

Awareness programs focused on the following prioritised disaster risks:

- Fire Awareness
- Severe Weather Storms

2.2) Disaster Risk Reduction

- 15 Disaster Management Volunteers received training in Call taking, Dispatch and report writing.

3) CLASSIFICATION, MAGNITUDE AND SEVERITY OF DISASTERS/ INCIDENTS

3.1) Emergencies Coordinated

- 1758 Emergencies were co-ordinated and monitored by the DMC.
- Standing Operating Procedures were activated for all emergencies handled.

3.2) COVID 19 Disaster

The Head of the National Disaster Management Centre (NDMC), announced the classification of Food and Mouth disease as a National Disaster as published in Government Gazette No 54133 of 17 February 2026.

4) PROBLEMS EXPERIECED IN DEALING WITH INCIDENTS

- Role Players/ Sector Departments, Local Municipalities do not budget for Disaster Assistance in their Operational Budget.
- Slow response from Sector Departments.

5) DISASTER MANAGEMENT PLAN

Disaster Management Plan and Framework were reviewed for the District Municipality.

COMPONENT H: SPORTS AND RECREATION

This component includes: community parks; sports fields; community halls; stadiums; swimming pools; and camp sites. As part of employee wellness a service provider was appointed to develop an Integrated Employee Wellness policy and strategy. Sports and recreation is covered in the employee wellness activity program. This service is however not provided to communities.

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate services policies, financial services, human resource services, ICT services, property services. All policies have been consulted with all stakeholders, thereafter the policies were submitted to Council for approval and implemented as required.

3.21 Executive and Council

This component includes: Executive office (mayor; councilors; and municipal manager). The Municipal priorities for 2025/26 as indicated below. The priorities are numbered for convenience only. Priorities are regarded as equally important:

1. Water & Sanitation
2. Roads & Transport
3. Local economic development (LED)
4. Land development and reform
5. Integrated human settlements
6. Sustainable Development Orientated Municipality
7. Environmental management and conservation and climate change management
8. Promotion of health in the District
9. Disaster management

Service Statistics for the Executive and Council

The Municipality does not provide services directly to communities. The annual performance of the Municipality is indicated in the Unaudited Annual Performance Report in Volume 3.

Comment on the performance of the Executive and Council

Council managed to meet successfully during the year and a number of ordinary and special meetings were held. Council fulfilled its oversight obligations with the assistance of the Municipal Public Accounts Committee, as well as the Audit and Performance Committee. Management to the most extent were also effective and is continuing with its change management process. Problems were however

experienced in the Budget and Treasury Office, where interventions had to be made during the year. Certain processes in this regard is still unfolding.

3.22 Financial Services

Please refer to the Unaudited Annual Financial Statements 2025-2026 in the Annual Report Volume II.

3.23 Human Resource Services

The HR unit is responsible for individual performance management, skills development, bursaries recruitment & selection, HR administration, employee benefits and leave management.

Comment on the performance of Human Resource Services overall

Human resource system was employed to assist the institution secure employee information. The municipality have approved HR policies that regulates the recruitment and selection, placement and transfer of employees. Due to the financial constraints the municipality was unable to fill the approved positions.

3.24 Information and Communication Technology (ICT) Services

During the year under review we experienced network problems, however new connections were installed at Basic Services & Infrastructure department. Our main problem is the old IT infrastructure. The intention was to budget in the incoming financial year for the purchase of new IT infrastructure which includes the main server.

3.25 Property; Legal; Risk Management and Procurement Services

Tremendous improvement has been recorded around seating of MPAC and MPAC resolutions, where even the prior year UIF register has been worked on and minuted for council resolutions.

The members of the MPAC have received numerous and rigorous training throughout the year in order to ensure that we build capacity around them in relation to the required investigations of MPAC. There has also been interaction between MPAC and the Provincial Legislature in terms of workshops facilitated by COGHSTA and the Provincial Legislature.

Issues of compliance have been tackled in line with departmental and functional adherence to policy and legislation. Management has put systems in place to ensure that all units, departments and the Office of the Municipal Manager take charge and responsibility in responding to possible breaches. We

expect, going forward to enforce the improvement in the upcoming years by making compliance a performance target for Directors.

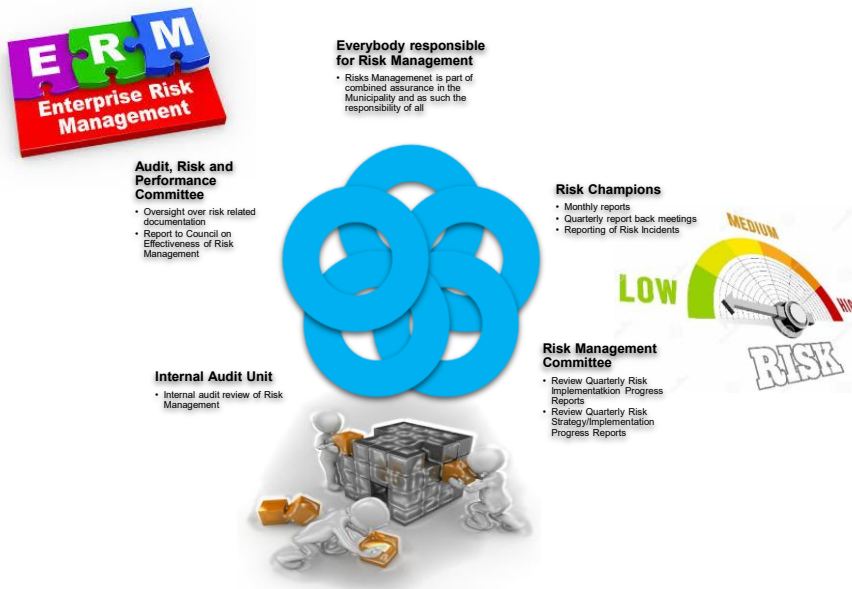
During the 2025/2026 financial year, the Municipality continued to implement its Risk Management Policy to support good governance, improve service delivery, and achieve its strategic objectives. Risk management activities focused on identifying, assessing, monitoring and managing risks that could affect the Municipality's operations and performance. The Risk Management Policy is a comprehensive policy that outlines the risk management methodology to be used for the identification, assessment and treatment of risk.

The implementation of the Risk Management Policy was implemented through:

- Risk Register for 2025/26, with quarterly progress reviews and reporting during the year;
- Risk Management Strategy and Implementation Plan that guides risk management activities and reporting during the year. Progress was also monitored and reported on during the year on a quarterly basis;
- Risk based auditing and the development of internal audit plans;
- Risk assessment and Risk Register for the 2026/27 Financial Year; and
- Risk Management Strategy and Implementation Plan for 2026/27.
- Reviewed Risk Committee Charter that will guide the activities of the Committee for the next three years.

The Municipality continued to implement and review risk management progress as displayed in the figure below:

Figure 5: Integrated Risk Management

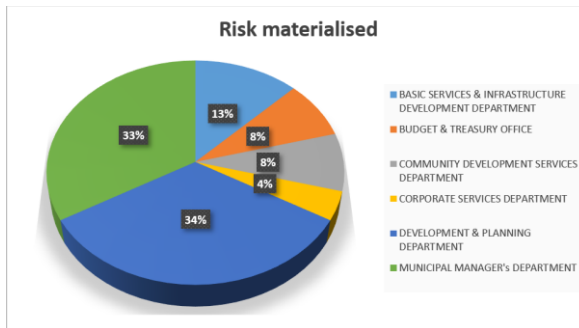


Risk Management Champions were identified for each business unit in the Municipality. Quarterly updates of the risk register and report were based on the monthly reports and quarterly meetings with Risk Champions.

Risk register updates and reports were reviewed by the internal Risk Committee, before submission to the Audit and Performance Committee of Council. The combination of reporting and participation of Risk Champions, reporting to the internal Risk Committee and its review of documentation, as well as the review of the Audit and Performance Committee all contributed to the increased awareness of risk and the combined responsibility to manage it.



The dashboard above provides an overview of the progress with risk management implementation. A total of 24 risks materialized.



The dashboard above illustrates the distribution of materialised risk per department. It is noteworthy that this includes risk progression still in progress, especially in the Development and Planning Department. In this instance the materialised risk relates to targets that were not completed at year-end.

The internal Risk Management Committee (RMC) consists of Senior Management. The Committee was able to assess its performance for 2025/26, in terms of the indicators discussed below. The assessment is as follows:

IDP OBJECTIVE	IDP KPI	RMC KPI	OUTPUTS	FREQUENCY	PERFORMANCE ASSESSMENT
To manage risks to the Municipality	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	4 Quarterly RMC meetings held by 30 June	✓ Minutes of RMC meetings	✓ Quarterly	✓ The RMC meetings took place on a quarterly basis. Four meetings were held.
To manage risks to the Municipality	Risk assessment annually completed by 30 June	Draft combined Strategic and Operational Risk Register Reviewed by 10 June.	✓ Reviewed strategic risk register	✓ Annually	✓ The RMC reviewed the draft Risk Register for 2026/27 prior to submission to the Audit Risk and Performance Committee (ARPC)
To manage risks to the Municipality	Number of quarterly risk register progress reports submitted by 30 June	Risk Management Strategy/ Implementation Plan annually reviewed by 31 May.	✓ Reviewed Risk Management Strategy/ Implementation Plan annually reviewed	✓ Annually	✓ The RMC reviewed the draft Risk Management Strategy/ Implementation Plan for 2026/27 prior to submission to the ARPC
To manage risks to the Municipality	Number of quarterly risk register progress reports	4 Quarterly risk register updates (risk reports) reviewed by 30 May.	✓ Reviewed quarterly risk progress reports	✓ Quarterly	✓ The RMC reviewed four quarterly risk register updates and progress

	submitted by 30 June				reports prior to submission to the ARPC
To manage risks to the Municipality	Number of quarterly risk strategy/imple- mentation plan progress reports submitted by 30 June	4 Quarterly Risk Management Strategy/Imple- mentation Plan progress reports reviewed by 30 June	✓ Reviewed Risk Managem- ent Strategy/I mplemen- tation Plan progress reports	✓ Quarterly	✓ The RMC reviewed four quarterly Risk Management Strategy/ Implementation Plan reports prior to submission to the ARPC
To manage risks to the Municipality	Risk management policy annually reviewed by 31 May	Reviewed Risk Management Policies annually reviewed by 31 March	✓ Reviewed Risk Managem- ent Policy	✓ Annually	✓ The policy was amended and was reaffirmed by Council.
To manage risks to the Municipality	Fraud Prevention Policy Annually reviewed by 31 May	Reviewed Fraud Management Policy annually reviewed by 31 March	✓ Reviewed Fraud Managem- ent Policy	✓ Annually	✓ The policy was amended and was reaffirmed by Council.
	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	RMC Charter reviewed by 31 May.	✓ Reviewed RMC Charter	✓ Triennially	✓ The RMC Charter was reviewed.
To manage risks to the Municipality	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	RMC Key Performance Indicators Developed	✓ RMC Key Performan- ce Indicators	✓ Triennially	✓ The RMC Charter was reviewed. KPIs remained unchanged.
To manage risks to the Municipality	Number of quarterly Internal Risk	RMC self- assessment	✓ Annual self-	✓ Annually	✓ The RMC performed a self- assessment for

	Management Committee Meetings held by 30 June	annually performed	assessment report		2025/26, prior to submission to the ARPC and inclusion in the Annual Report.
	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	Risk incident register reviewed.	✓ Reviewed Risk Incident Register	✓ Quarterly	✓ Risk incidents were not reported on a quarterly basis.
To manage risks to the Municipality	Number of quarterly Internal Risk Management Committee Meetings held by 30 June	Annual Report risk management comment reviewed by 15 August	✓ Reviewed Annual Report risk management comment	✓ Annually	✓ The RMC reviewed the input to the 2025/26 Annual Report, prior to submission to the ARPC.

Risk Management is continually improved upon and has proven to be a valuable tool in the combined assurance process, as well as the general management and performance of the Municipality. The Audit, Risk and Performance Committee performed independent oversight over risk and ethics management on behalf of Council and reported quarterly to Council on the effectiveness of Risk Management.

Risk and ethics awareness sessions were conducted with all internal departments in preparation for the risk assessment for the 2025/26 financial year, as well as for the role out and management thereof. This was repeated with the Risk Champions for the 2026/27 risk assessment process. The concepts of risk, risk management, risk assessment and ethics were discussed in terms of the policies of Council and the relevant legislation. Particular attention was given to the concepts related to unethical behaviour, including dishonesty, fraud, corruption, theft, and maladministration.

Council adopted a reviewed Fraud and Corruption Management, Promotion of Ethics and Professionalism Policy and Plan, including the Code for Ethical Leadership in Local Government and Ethics Management Implementation Strategy and Plan - 2026/27.

Service Statistics for Property, Legal, Risk Management and Procurement Services

The legal cases have reduced in number due to the careful and considerate way of dealing with such cases, consulting the aggrieved and promoting discussions in a quest of arriving at amicable solutions on pending cases, which recognises that even compromises become a requirement after all options are tested. We commit to deal with all remaining cases in the spirit of the public interest, prudence regarding funds, avoidance of policy abuse and adhering to legislation, in the process following good corporate practices.

The procurement of municipal services is expected to adhere to the principles of completion, accountability, transparency, equity and fairness.

The above principles become the terrain for contestation from time to time due to either the public or administrative considerations. It must be emphasized that the guidance by the Constitution of South Africa, the Supply Chain Policy and Regulations must at all times be adhered to.

We also need at our municipal level to win the public and private sector confidence regarding the processes and procedures we undertake to arrive at procurement outcomes. That will go a long way in attracting funding for municipal functions, especially when government as a whole and members of society place their trust in municipal systems, municipal officials and executives.

Comment on the performance of Property Services overall

Property services is limited to the maintenance and/or refurbishment of municipal properties.

COMPONENT J: MISCELLANEOUS

This component includes: the provision of Airports, Abattoirs, Municipal Courts and Forestry as municipal enterprises. The Municipality provides none of the above services. The Community Services Department perform inspections at abattoirs, but the Municipality do not have any abattoirs.

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

The Organisational Performance is reported on in Volume 3 of the Annual Report, in the annual performance report.

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

As per amended Systems Act, the Organogram is annually reviewed and approved by Council. The 26-27 was approved by Council in 27 May 2026 for implementation from 1st July 2027.

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

The Organisational Performance is reported on in Volume 3 of the Annual Report, in the annual performance report.

4.1 Employee Totals, Turnover and Vacancies

Vacancy Rate: Year 2025/26			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0.00
CFO	1	0	0.00
Other S57 Managers (excluding Finance Posts)	4	1	25.00
Other S57 Managers (Finance posts)	0	0	0.00
Police officers	0	0	0.00
Fire fighters	0	0	0.00
Senior management: Levels 13-15 (excluding Finance Posts)	4	2	33.00
Senior management: Levels 13-15 (Finance posts)	4	4	100.00
Highly skilled supervision: levels 9-12 (excluding Finance posts)	22	7	37.00
Highly skilled supervision: levels 9-12 (Finance posts)	5	0	100.00
Total	41	16	37.50

*Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T 4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	-	-	-
Year -1			%
Year 0	26	6	5.5
* Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year			T 4.1.3

Comment on vacancies and turnover

Budgeted vacant positions were filled as per Council's recruitment and selection policy.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

A functional Local Labour Forum (LLF) was assisting in a stable working environment. Relevant issues were discussed and resolved at LLF level and submitted to Council for approval. Despite the functional LLF some issues in the workplace still need attention and it is envisaged in coming financial year Management will try to resolve these issues in LLF.

4.2 Policies

Institutional Policies, Plans & Frameworks				
No.	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1.	Cash & Investment Policy	100	100	6.3 28/05/2025
2.	Expenditure Management Policy	100	100	6.3 28/05/2025
3.	Fund & Reserve Policy	100	100	6.3 28/05/2025
4.	Accounting Policy	100	100	6.3 28/05/2025

5.	Telephone Policy	100	100	6.3 28/05/2025
6.	Remuneration Policy	100	100	6.5 28/05/2025
7.	Housing Allowance Policy	100	100	6.5 28/05/2025
8.	Rental of Council Facilities Policy	100	100	6.3 28/05/2025
9.	Catering Policy	100	100	6.3 28/05/2025
10.	Attendance & Punctuality	100	100	6.5 28/05/2025
11.	Credit Control Policy	100	100	6.3 28/05/2025
12.	Fraud and Corruption Management, Promotion of Ethics and Professionalism Policy and Plan	100	100	6.5 28/05/2025
13.	National Environmental Health Policy	100	100	6.5 28/05/2025
14.	Expanded Public Works Policy	100	100	6.5 28/05/2025
15.	Information Technology Policy	100	100	6.5 28/05/2025
16.	Compassion & Bereavement Policy	100	100	6.5 28/05/2025
17.	Internship & Experiential Policy	100	100	6.5 28/05/2025
18.	Fleet Management Policy	100	100	6.5 28/05/2025
19.	Job Evaluation Policy	100	100	6.5 28/05/2025
20.	Corporate Governance of Information & Communication Technology Policy	100	100	6.5 28/05/2025
21.	Commonage Policy	100	100	6.5 28/05/2025
22.	Records Management Policy	100	100	6.5 28/05/2025
23.	Registry Manual	100	100	6.5 28/05/2025
24.	Recruitment & Selection Policy	100	100	6.5 28/05/2025
25.	Sexual Harassment Policy	100	100	6.5 28/05/2025
26.	Staff Retention Policy	100	100	6.5 28/05/2025
27.	Risk Management Policy	100	100	6.5 28/05/2025
28.	Transfer Policy	100	100	6.5 28/05/2025
29.	Training & Development Policy	100	100	6.5 28/05/2025
30.	Vehicle Allowance Policy	100	100	6.5 28/05/2025
31.	Individual Performance Management Policy	100	100	6.5 28/05/2025
32.	Dress Code Policy	100	100	6.5 28/05/2025
33.	Delegations Framework	100	100	6.5 28/05/2025
34.	Leave Management Policy	100	100	6.5 28/05/2025
35.	Acting & Secondment Policy	100	100	6.5 28/05/2025
36.	Long Term Financial Plan	100	100	6.3 28/05/2025

37.	Study Assistance Policy	100	100	6.5 28/05/2025
38.	Bursary Policy (non-employees)	100	100	6.5 28/05/2025
39.	Placement Policy	100	100	6.5 28/05/2025
40.	Ethics Management Policy	100	100	6.5 28/05/2025
41.	HRM Strategy	100	100	6.1 27/06/2023
42.	Assets Management Policy	100	100	6.3 28/05/2025
43.	Budget Policy	100	100	6.3 28/05/2025
44.	Travel & Subsistence Policy	100	100	6.3 28/05/2025
45.	Tariff Policy	100	100	6.3 28/05/2025
46.	Credit Control & Debt Collection Policy	100	100	6.3 28/05/2025
47.	Impairment Policy	100	100	6.3 28/05/2025
48.	Supply Chain Management Policy	100	100	6.3 28/05/2025
49.	Petty Cash Policy	100	100	6.3 28/05/2025
50.	3G Card Policy	100	100	6.3 28/05/2025
51.	Cost Containment Policy	100	100	6.3 28/05/2025
52.	Virement Policy	100	100	6.3 28/05/2025
53.	Communications Policy	100	100	6.5 28/05/2025
54.	Unauthorised, Irregular, Fruitless & Wasteful Expenditure Policy	100	100	6.3 28/05/2025

4.3 Injuries, Sickness and Suspensions

Quarter 1 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	566	n/a
Sick leave		
With sick note	387	n/a
Without sick note	15	n/a
Additional paid sick leave	0	n/a
Special leave		
<i>Study</i>	10	n/a
<i>Family responsibility</i>	14	n/a
<i>Court appearance</i>	0	n/a
<i>Maternity leave</i>	0	n/a
<i>Sports / cultural activities</i>	0	n/a
<i>Performance</i>	0	n/a

<i>Special Union</i>	3	n/a
Council resolutions/ Overtime	92	n/a
Unpaid	0	n/a
Long Service	12	n/a

Quarter 2 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	410	n/a
Sick leave		
With sick note	165	n/a
Without sick note	11	n/a
Additional paid sick leave	0	n/a
Special leave		
<i>Study</i>	23	n/a
<i>Family responsibility</i>	16	n/a
<i>Court appearance</i>	0	n/a
<i>Maternity leave</i>	85	n/a
<i>Sports / cultural activities</i>	0	n/a
<i>Performance</i>	0	n/a
<i>Special</i>	0	n/a
Council resolutions/ Overtime	108	n/a
Unpaid	0	n/a
Long Service	3	n/a

Quarter 3 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	1051	n/a
Sick leave		
With sick note	359	n/a
Without sick note	16	n/a
Additional paid sick leave	60	n/a
Special leave		
<i>Study</i>	8	n/a
<i>Family responsibility</i>	21	n/a
<i>Court appearance</i>	0	n/a
<i>Maternity leave</i>	0	n/a

<i>Sports / cultural activities</i>	0	n/a
<i>Performance</i>	0	n/a
<i>Special Union</i>	3	n/a
Council resolutions/ Overtime	328	n/a
Unpaid	4	
Long Service	49	n/a

Quarter 4 Report:-

TYPE OF LEAVE	NUMBER OF DAYS TAKEN	COMMENTS
Annual	465	n/a
Sick leave		
With sick note	328	n/a
Without sick note	20	n/a
Additional paid sick leave	0	n/a
Special leave		
<i>Study</i>	34	n/a
<i>Family responsibility</i>	30	n/a
<i>Court appearance</i>	0	n/a
<i>Paternity</i>	0	n/a
<i>Maternity leave</i>	85	n/a
<i>Sports / cultural activities</i>	0	n/a
<i>Performance</i>	0	n/a
<i>Special (Union)</i>		n/a
Council resolutions/ Overtime	177	n/a
Unpaid	0	
Long Service	49	n/a

Comment on injury and sick leave

Throughout the year the municipality has experienced minor incidents where sick leave of some staff members is of high rate. There are cases of sick leave days being depleted before the end of the sick leave cycle. There is a need to introduce a Wellness Programme in the workplace.

In addition to the Wellness Programme, an Occupational Health and Safety (OHS) Committee was elected for JTGDM in ensuring a safe workplace.

Number and Period of Suspensions					
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised	
1	Removing diesel without authorisation for personal use and transferred it into his personal car.	08 July 2025	Dismissal	08 July 2025	

4.4 Performance Rewards

Implementation of Performance rewards are in line with the Individual Performance Management (IPMS) policy.

Comment on performance rewards

No performance rewards issued during the year.

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Skills and developed of staff and councilors was done in line with the Work Skills Plan and Training & Development Policy.

4.5 Skills Development and Training

Management	Gender	Employ Employees in post as at 30 June Year 1	Learnerships		Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year 0	Actual: End of Year 1	Actual: End of Year 0	Actual: End of Year 1	Target	Actual: End of Year 0	Actual: End of Year 1	Target	Actual: End of Year 0	Actual: End of Year 1	Target
MM and s57	Female	2	0	0	1	0	2	1	1	2	2	1	4
	Male	3	0	0	0	0	4	0	0	4	0	0	8
Councillors and middle managers	Female	11	0	0	7	5	10	4	1	6	7	6	13
	Male	12	0	0	4	4	12	1	0	1	5	4	14
Technician associate Professionals*	Female	7	0	0	6	2	10	2	1	7	5	2	15
Professionals	Male	9	0	0	6	3	9	3	2	9	9	5	18
	Female	18	0	0	2	3	9	2	5	0	4	8	9
	Male	8	0	0	3	0	4	3	0	0	6	0	4
Sub Total	Female	38	0	0	10	10	31	9	8	15	18	17	41
	Male	32	0	0	13	7	29	7	2	14	20	9	43
Total		70	0	0	23	17	60	16	10	29	38	26	84

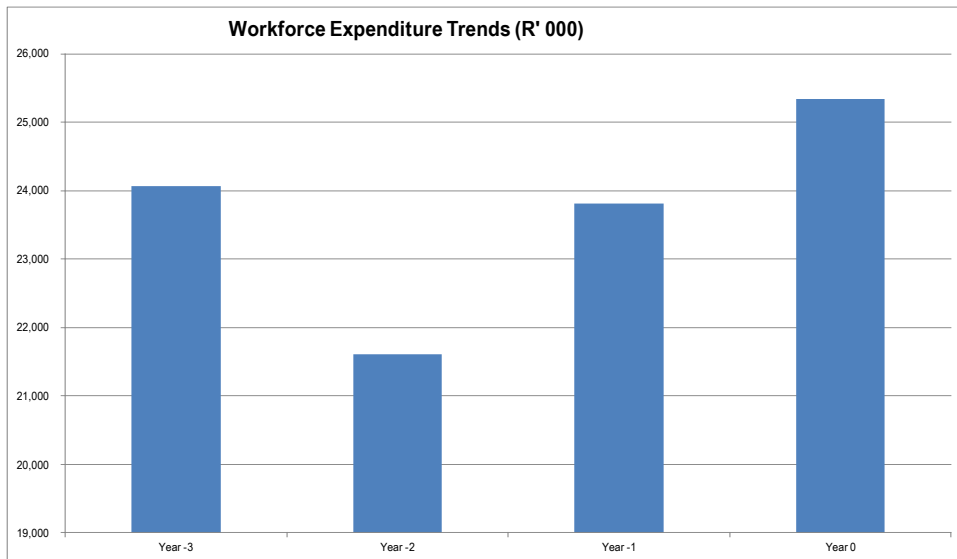
Skills Development Expenditure										
R'000										
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female	3	3	3	3	3	0	0	0	3
	Male	2	0	0	2	2	0	0	2	2
Legislators, and middle managers	Female	12	0	0	8	3	2	5	0	5
	Male	5	0	0	0	3	1	5	0	5
Professionals	Female	20	0	0	0	5	7	3	0	3
	Male	10	0	0	0	4	2	3	3	6
Technicians and associate professionals	Female	11	0	0	0	0	0	0	3	6
	Male	18	0	0	0	5	0	5	5	8
Clerks	Female	27	0	0	0	1	8	8	10	4
	Male	8	0	0	0	0	1	1	2	3
Service and sales workers	Female	0	0	0	0	0	0	0	0	0
	Male	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	Female	2	0	0	0	0	0	0	0	0
	Male	6	0	0	0	0	0	0	0	0
Elementary occupations	Female	4	0	0	0	0	0	0	2	0
	Male	9	0	0	0	0	0	0	2	0
Sub total	Female	79	3	3	11	11	17	16	14	21
	Male	58	0	0	2	14	4	13	14	24
Total		137	3	3	13	25	21	29	21	45
T4.5.3										

T4.5.3

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

Commented [OD3]: CSD - Please confirm

4.6 Employee Expenditure



Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 10-13)	Female	2
	Male	0
Skilled (Levels 7-9)	Female	0
	Male	0
Highly skilled production (Levels 6)	Female	5
	Male	1
Highly skilled supervision (Levels 4)	Female	0
	Male	0
Middle management (Levels 3)	Female	0
	Male	0
MM and S 57	Female	0
	Male	0
Total		8
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).		

Disclosures of Financial Interests

All Senior Managers and Councillors have completed the Interests Disclosure Register in the year under review.

CHAPTER 5 – FINANCIAL PERFORMANCE

The Office of the Auditor General conducted an audit on the municipality's 2025/26 Annual Financial Statements and issued an unqualified audit opinion.

The municipality has consistently received unqualified opinions on its financial statements and performance information. However, the continued material compliance findings on expenditure management remains unchanged from the previous year. The municipality however strives to ensure improvement given its strengths which includes but are not limited to:

1. Responsiveness of the Council, Council Committees, Management team and municipal staff on issues pertaining to improved systems.
2. Effectiveness of the Risk and Internal Audit functionaries within the municipality as well as the Advisory of the Audit, Risk and Performance Management Committee
3. Continued improvements on the functionality and operations of the core financial management system.
4. Success in data migration processes conducted
5. Development of and monitoring implementation of the Audit Action Plan, aimed at addressing other matters that the Office of the Auditor General emphasized on during the previous audits.

Period	30-Jun-26		
Schedule	Going Concern assessment		
Key Financial Ratios	2025/26	2024/25	Commentary
Current Ratio	0,58	0,66	Current liabilities exceeds current assets, the municipality may not meet its short term obligations, due to cashflow.
Total Current assets	11 362 317	12 515 852	
Total Current liabilities	19 533 645	19 048 959	
Acid test ratios	0,25	0,32	The ratio is below 1 which is an indication that the municipality will not be able to cover its current liabilities as it becomes due.
Currents assets	11 362 317	12 515 852	
Less inventory	6 546 895	6 381 504	
	4 815 422	6 134 348	
/Current liabilities	19 533 645	19 048 959	For the year under review as well as the budgeted 2025/26 financial year the total assets are above the municipality's debt. This is an indication of a solvent municipality.
Debt ratio	3,71	4,09	
Total assets	101 961 097	106 809 323	
Total current Assets	11 362 317	12 515 852	
Total non current Assets	90 598 780	94 293 471	
Total liabilities	27 513 967	26 093 847	
Total current liabilities	19 533 645	19 048 959	
Total non current liabilities	7 980 322	7 044 888	
Net Revenue to Net expenditure			The municipality spent more than the revenue generated. This is an indication of tough economic environment.
Revenue	130 533 590	126 892 366	
Total revenue from exchange transaction	6 175 610	5 302 472	
Total revenue from non-exchange transactions	124 357 980	121 589 894	
Expenditure	135 900 036	135 888 354	
Employee related costs	92 567 530	89 184 422	
Remunerations of Councillors	6 977 348	6 836 419	
Depreciation and amortisation	6 281 979	6 217 696	
Finance charges	957 151	945 090	
Debt impairment	159 884	359 026	
Bad debts written-off	500 824	-	
Other Expenditure	28 455 320	32 345 701	
			The municipality has no loan obligations.
Other Financial liabilities	-	-	
Indications of financial support			The Municipality is expecting R 122 300 409 for the 2026/27 financial year from various departments including the national treasury.
Budgeted operating cash flows			Based on the budget expenditure incurred by the municipality it is expected to be less than the total revenue received.
Council or management intentions to liquidate the municipality or cease operations			No resolution
Key Management positions			
Other issues			
Pending legal or regulatory proceedings			Estimated costs on pending legal or regulatory proceedings against the municipality amount to R 8 770 000.

Changes in law that is likely to affect the municipality adversely			There are no expected changes in law that are likely to impact the municipality.
Conclusion			

Based on the above analysis the municipality is liquid and solvent, even though the expenditure is above the revenue. The most significant indicator of a going concern issue for the municipality is an intention by government to merge a municipality of which there are no indications that JTG will be merged. Further there is no indication that the government intends to close the municipality. In cases where the municipality experiences these difficulties, provincial government usually intervenes by placing the municipality under administration, therefore the municipality does not cease to exist due to financial problems.

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

The financial performance of the Municipality as at 30 June 2026 is reported in the audited Annual Financial Statements in Vol II.

5.1 Statements of Financial Performance

Reconciliation of Table A1 Budget Summary															
Description	2025/26					2024/25									
	Original Budget	Budget Adjustments (i.e. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.e. s31 of the MFMA)	Virement (i.e. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Revised Actual Outcome
R thousands	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Financial Performance															
Property rates	--	--	--			--				0	--				--
Service charges	--	--	--			--				0	--				--
Investment revenue	1 811	--	1 811			1 811	1 856	45	102%	103%					2 112
Transfers recognised - operational	118 813	3 068	121 881			121 871	122 300	429	100%	100%					120 496
Contracted Revenue	--	--	--			--	--	--	--	--	--				--
Other own revenue	2 897	3 173	6 071			6 071	4 300	(1 771)	71%	149%					4 284
Total Revenue (including capital transfers and contributions)	123 522	6 241	129 763		--	129 753	128 476	--		(1 277)	99%	104%	--	--	128 692
Employee costs	84 487	(9 381)	89 136			89 136	92 568	3 432	104%	98%					89 184
Remuneration of councillors	6 587	(204)	6 383			6 383	6 977	674	111%	107%					7 636
Cost of equipment	81	189	270			270	160	(90)	60%	60%					359
Recoverable debts written off	70	723	653			--	--	--	--	--	--				--
Depreciation & asset impairment	6 201	843	7 044			7 044	6 282	(762)	89%	101%					6217696
Finance charges	798	--	798			798	567	(231)	71%	71%					945
Materials and bulk purchases	863	(464)	399			399	--	(863)	0%	0%					--
Contracted Services	9 938	690	10 627			10 627	--	(10 627)	0%	0%					--
Transfers and grants	60	--	60			60	--	(60)	0%	0%					--
Other expenditure	11 440	10 500	21 940			21 940	28 956	7 016	132%	125%					31 346
Total Expenditure	139 343	6 985	137 248	--	--	136 445	135 900	--	(445)	99%	0	--	--	--	135 889
Surplus/Deficit	(6 822)	(674)	(7 495)	--	--	(6 692)	(7 424)	--	(732)	99%	105%	--	--	--	(6 996)
Transfers recognised - capital	--	--	--			--	--	--	--	0%	0%				--
Contributions recognised - capital & contributed assets	--	--	--			--	2 507	2 507	0%	0%					--
Surplus/Deficit after capital transfers & contributions	--	--	--			--	2 507	2 507	0%	0%					--
Share of surplus/ (deficit) of associate	--	--	--			--	--	--	0%	0%					--
Surplus/Deficit for the year	(6 822)	(674)	(7 495)	--	--	(6 692)	(5 365)	--	(726)	72%	79%	--	--	--	(6 996)
Capital expenditure & funds sources															
Capital expenditure	680	352	1 032			1 032	1 365	333	0%	0%					2 703
Transfers recognised - capital	--	--	--			--	--	--	0%	0%					--
Public contributions & donations	--	--	--			--	--	--	0%	0%					--
Borrowing	--	--	--			--	--	--	0%	0%					--
Internally generated funds	680	352	1 032			1 032	1 365	333	132%	201%			--	--	2 703
Total sources of capital funds	680	352	1 032	--	--	1 032	1 365	333	132%	201%			--	--	2 703
Cash flows															
Net cash from (used) operating	(3 676)	2 485	(1 179)	(1 179)	--	(1 179)	(553)	623	47%	15%					13 303
Net cash from (used) investing	(782)	(406)	(1 189)	(1 189)	--	(1 189)	(1 500)	120	10%	15%					2 703
Net cash from (used) financing	--	--	--	--	--	--	474	474	NR/ND	--					660
Cash/cash equivalents at the year end	(4 458)	2 080	(2 362)	(2 362)	--	(4 754)	(1 142)	1 220	48%	26%			--	--	16 567
															16 517

From the table above, it is clear that the budget as adopted by Council for the 2025/26 financial year, implemented and monitored, was credible. This due to the fact that 97% of the budgeted revenue was recognised for the year, with 99.6% of the budgeted expenditure being spent.

Only realistically anticipated revenue sources were budgeted for, with improved controls on cashflow and expenditure management processes.

SYNOPSIS FINANCIAL PERFORMANCE	FINANCIAL YEAR		% Increase/ (decrease)
	2026	2025	
Total Revenue	130 533 590	126 892 366	2,87%
Grants	122 300 498	120 495 790	1,50%
Other Revenue	6 175 610	5 302 472	16,47%
Donations	2 057 482	1 094 104	88,05%
Grants as a % of revenue	93,69%	94,96%	
Other revenue as a % of revenue	4,73%	4,18%	
Donation as a % of revenue	1,58%	0,86%	
Total Expenditure	135 895 737	140 335 519	-3,16%
Employee Related Costs	92 567 530	89 184 422	3,79%
Councillors Remuneration	6 977 348	6 836 419	2,06%
Generals Expenses	28 455 320	32 345 701	-12,03%
%Employee Costs	68,12%	63,55%	
%Generals Expenses	20,94%	23,05%	
Surplus/(Deficit)	-6 031 025	-5 048 296	-19,47%

Revenue Management

As per the analysis above, the municipal revenue increased by 2.87% as compared to the prior year. It is evident that for the period under review, 93,69% of the total municipal revenue is from grants and subsidies, 1,58% related to donation received and the remaining is the municipality's own generated revenue. This is mainly due to the fact that John Taolo Gaetsewe District is a district municipality with limited revenue streams.

Expenditure Management

Employee related costs continued to be one of the two key cost drivers at 68.12% (2025: 63.55%), with an 4.57% increase employee related costs and 2.02% increase in the remuneration of councilors respectively for 2025/26.

The second highest cost driver is the operational costs/general expenses at 20.94% (2025: 23.05%), with a decrease of 2.11% during the year under review.

Surplus/Deficit

The municipality recorded a deficit of R 6 031 025 for the year under review.

5.2 Grants

Grant Performance						
Description	R' 000					
	2024/25	2025/26		2025/26		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
Operating Transfers and Grants						
National Government:	119 967	116 179	117 587	116 983	400%	457%
Equitable share	109 352	112 384	112 384	112 384	100%	100%
Finance Management Grant	1 000	1 000	1 000	1 000	100%	100%
Infrastructure Skills Development Grant	5 000	470	470	470	100%	100%
Rural Road Asset Management Grant	2 845	2 325	2 325	2 325	100%	100%
Extended Public Works Programme Grant	1 235	–	–	–	0%	0%
Municipal disaster Relief Grant	–	–	–	–	0%	0%
LG SETA	535	–	1 408	804	0%	57%
Municipal Housing Emergency Grant	–	–	–	–	0%	0%
Provincial Government:	529	–	1 742	1 283	–	0
HIV and AIDS Council	–	–	250	115	0%	46%
Housing	252	–	110	110	0%	100%
COGHSTA	277	–	382	277	0%	0%
NC Grant	–	–	1 000	781	0%	78%
Khotso Pula Nala Grant	–	–	–	–	0%	0%
FIRE Grant	0	–	0	0	0%	100%
District Municipality:	–	–	–	–		
<i>[insert description]</i>						
Other grant providers:	–	–	–	–	0%	0%
<i>Municipal disaster Grant</i>	–	–	–	–	0%	0%
Total Operating Transfers and Grants	120 496	116 179	119 329	118 266	102%	99%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of						T 5.2.1

Comment on operating transfers and grants

Based on Table 5.2.1 above, the municipality recognized 99% of its budgeted grants revenue for the 2025/26 financial year. This constitutes 98% (2025: 95%) of the total municipal revenue, which is a clear indication that the municipality continued to be fully grant dependent.

5.3 Asset Management

During the year the municipality acquired assets aimed at enabling and improving the efficiency of operations. Management also continued to manage and safeguard the municipal assets in line with the approved Municipal Assets Management Policy and report on a quarterly basis.

The municipality acquired a total of R 1 364 806 assets, with the largest asset procured being a transport asset. The municipality also received donated assets which amounted to R 714 660.

The table below highlight the three largest assets procured by the municipality during the year under review:

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2024/25				
Asset 1				
Name	Laptop			
Description	HP			
Asset Type	Computer Equipment			
Key Staff Involved	Mr Matlhare			
Staff Responsibilities	Key Performance area			
Asset Value	41 000,00			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	IT and Asset Management Policies			
Asset 2				
Name	Laptop			
Description	HP			
Asset Type	Computer Equipment			
Key Staff Involved	Miss Cebile			
Staff Responsibilities	Key Performance area			
Asset Value	41 000,00			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	IT and Asset Management Policies			
Asset 3				
Name	Laptop			
Description	HP			
Asset Type	Computer Equipment			
Key Staff Involved	Miss Cebile			
Staff Responsibilities				
Asset Value	41 000,00			
Capital Implications				
Future Purpose of Asset				
Describe Key Issues				
Policies in Place to Manage Asset	IT and Asset Management Policies			
				T 5.3.2

The municipality also has an Asset Management Steering Committee, being the structure tasked with, amongst others, ensuring the safeguards of the municipal assets. The functionality of this structure was non-effective in the 2025/26 financial year and for 2026/27 financial year the committee has since been merged with Risk and functionality will be ensured.

No additions and refurbishments were made to existing office buildings that increased the asset value of said buildings, and no property was purchased during the year under review.

The municipality's investment property appreciated in value to R 12 125 000 for the 2025/26 financial year, as per the valuation done by an independent valuer.

The municipality recorded a loss of R 192 486 on biological assets.

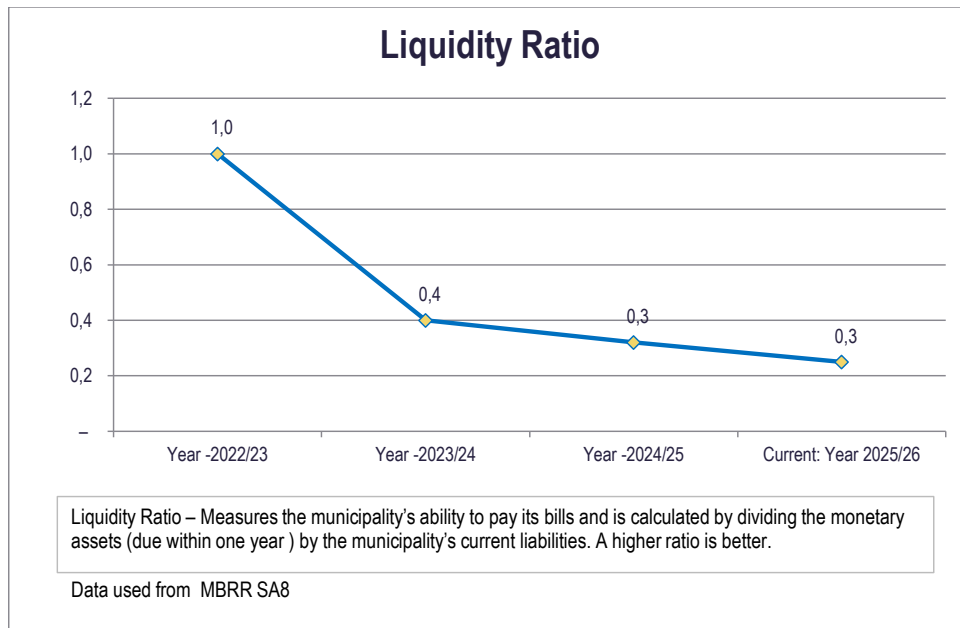
Comment on repair and maintenance expenditure

Repairs and maintenance were mostly related to the maintenance of buildings, vehicles and equipment. A high percentage rate is an indication that municipal assets are aged and may soon require renewal/replenishment/replacement.

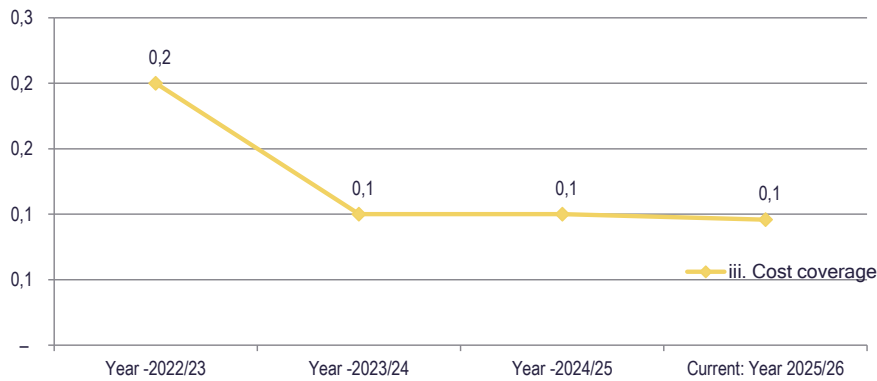
Repair and Maintenance Expenditure: Year 2025/26				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	275	145	106	73%
				T 5.3.4

5.4 Financial Ratios based on Key Performance Indicators

A detailed analysis of the following ratios, amongst others, is provided under 5.0.1 above.



Cost Coverage

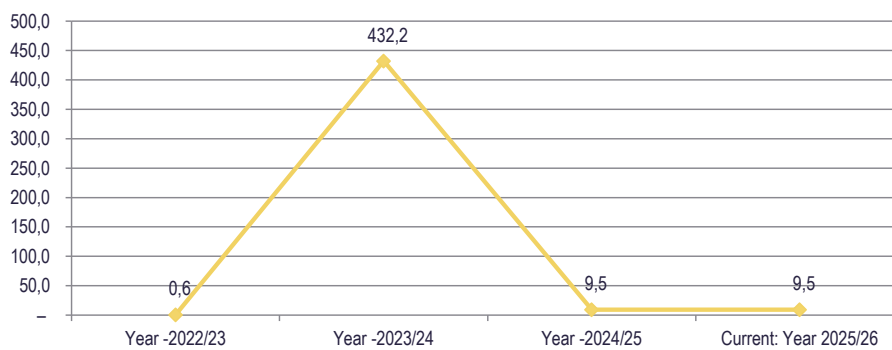


Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

The Municipality did not have any service debtors in 2025/26 or the prior years.

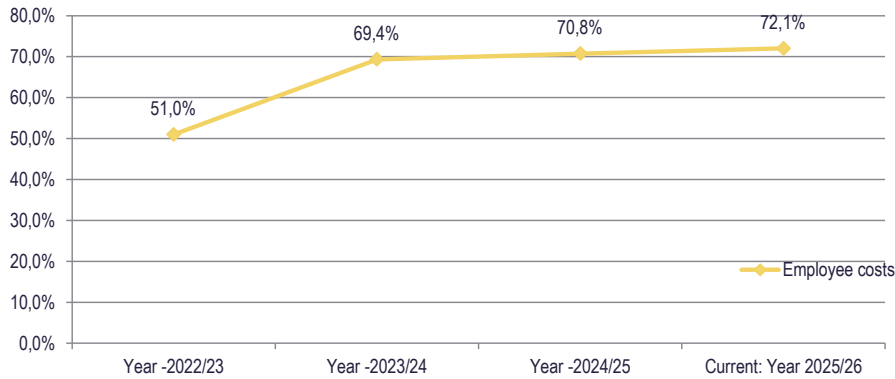
Debt Coverage



Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants and donations) . This in turn represents the ease with which debt payments can be accommodated by the municipality

Data used from MBRR SA8

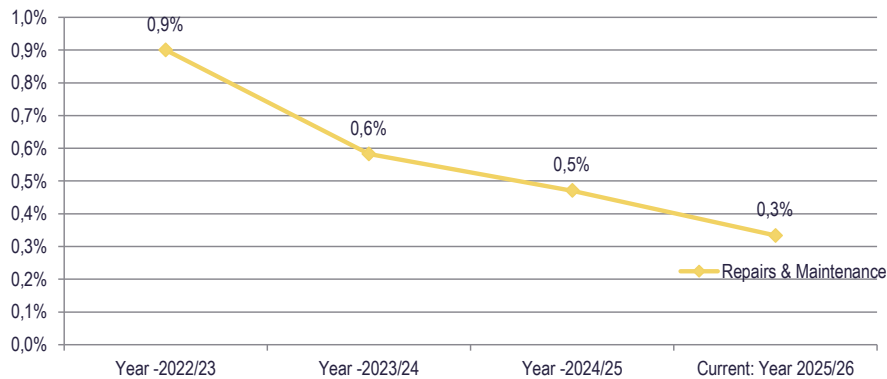
Employee Costs



Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

Repair & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance

Data used from MBRR SA8

Comment on financial ratios

1. **The liquidity ratio** is below 1 which is an indication that the municipality will not be able to pay its current liabilities as it becomes due.
2. **Cost Coverage ratio** - It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding the utilization of grants. The ratio is below 1 which is an indication that the municipality cannot cover its costs without the utilization of grants as expected from a district municipality.
3. **Debt Coverage ratio** - The debt of the municipality is relatively low in relation to the scale of its operations. The debt relates to finance leases on office equipment.
4. **Employee Costs ratio** - The employee costs relative to operating revenue has slightly increased as compared to the prior years. The is largely attributable to the annual salary increases.
5. **Creditor Payment Period** - Creditor payments were monitored during the year so as to minimize instances of non-compliance. The municipality has regressed in this area with a creditor payment period of 38 days in the 2025/26 financial year, compared to the 11 days in the 2024/25 financial year.

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

Capital expenditure was not related to major infrastructure projects, as very limited allocation was made for capital projects on the budget. Capital expenditure was mostly related to the acquisition of furniture and office equipment, computer equipment and transport assets.

5.5 Capital Expenditure

John Taolo Gaetsewe District Municipality's assigned functions are mainly service-oriented e.g. Disaster Management, Environmental Health, Planning etc. therefore the majority of the budgeted expenses are operational.

5.6 Sources of finance

Capital Expenditure - Funding Sources: Year - 2023/24 to Year 2024/25						
R' 000						
Details	Year 2023/24	Year 2024/25				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance						
External loans						
Public contributions and donations						
Grants and subsidies						
Other	1,038,159.00	680,000.00	1,031,850.00	1,364,806.00	151.7%	200.7%
Total	1,038,159.00	680,000.00	1,031,850.00	1,364,806.00	151.74%	200.71%
Percentage of finance						
External loans	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants and subsidies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital expenditure						
Water and sanitation						
Electricity						
Housing						
Roads and storm water						
Other	1,038,159.00	680,000.00	1,031,850.00	1,364,806.00	151.7%	200.7%
Total	1,038,159.00	680,000.00	1,031,850.00	1,364,806.00	151.74%	200.71%
Percentage of expenditure						
Water and sanitation	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Electricity	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Housing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Roads and storm water	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
T 5.6.1						

Comment on sources of funding

JTGDM is essentially dependent on grants and is not able to generate a significant amount of revenue as a District Municipality. Funds utilized for capital expenditure were sourced from internal revenue.

5.7 Capital spending on 5 largest projects

Comment on capital projects

The Municipality did not have any large capital infrastructure projects. We acquired furniture and office equipment, computer equipments and transport assets as indicated under 5.3 (Assets Management).

5.8 Basic Services and Infrastructure backlog - overview

This function is provided by the Local Municipalities and is not reported on.

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

Cash flow and investments are regarded as extremely important, because it affects the operations and service delivery of the Municipality. This is managed in terms of the policies of Council in this regard, as well as the Cash and Investment Regulations of the MFMA.

5.9. Cashflow

John Taolo Gaetsewe District Municipality Annual Financial Statements for the year ended 30 June 2025			
Cash Flow Statement			
Figures in Rand	Note(s)	2025	2024 Restated*
Cash flows from operating activities			
Receipts			
Sale of goods and services		4 300 749	3 958 780
Grants		120 076 899	118 938 474
Interest income		2 112 113	2 742 573
		126 389 761	125 639 827
Payments			
Employee costs		(91 142 882)	(91 825 960)
Suppliers		(33 911 888)	(61 704 289)
Finance costs		(307 185)	(914 199)
		(125 361 955)	(154 444 448)
Net cash flows from operating activities	35	1 027 806	(28 804 621)
Cash flows from investing activities			
Purchase of property, plant and equipment	9	(1 288 349)	(970 921)
Proceeds from sale of property, plant and equipment	9	199 858	889 759
Purchase of other intangible assets	10	(75 860)	(67 238)
Proceeds from sale of biological assets	7	-	412 400
Net cash flows from investing activities		(1 164 351)	264 000
Cash flows from financing activities			
Finance lease payments		473 643	18 554
Net increase/(decrease) in cash and cash equivalents		336 498	(28 522 067)
Cash and cash equivalents at the beginning of the year		696 932	29 219 005
Cash and cash equivalents at the end of the year	6	1 033 430	696 938

As indicated above, on an extract of the audited 2025/26 Annual Financial Statements i.e. the Cash Flow Statement, the municipality recorded a 48% increase in terms of the cash and cash equivalents.

Cash Flow Outcomes				
R'000				
Description	Year -2023/24	Current: Year 2024/25		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Ratepayers and other	3 959	3 978	3 978	4 201
Government - operating	118 938	121 512	122 131	120 077
Government - capital			–	–
Interest	2 743	1 811	1 811	2 112
Dividends	–	–		
Payments				
Suppliers and employees	(153 530)	(128 234)	(128 440)	(125 055)
Finance charges	(914)	(656)	(656)	(307)
Transfers and Grants		–	–	
NET CASH FROM/(USED) OPERATING ACTIVITIES	(28 805)	(1 589)	(1 176)	1 028
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	890	–	–	200
Proceeds on sale of biological assets	412			–
Purchase of property, plant and equipment	(971)	–	–	(1 289)
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables		–		
Decrease (increase) in non-current investments		–	–	
purchase of other intangible assets	(67)	–	–	(76)
Payments				
Capital assets	–	(681)	(1 187)	
NET CASH FROM/(USED) INVESTING ACTIVITIES	264	(681)	(1 187)	(1 165)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–			
Borrowing long term/refinancing	–	–		
Increase (decrease) in consumer deposits	–			
Payments				
Repayment of borrowing	–	–	–	–
Finance lease payments	19	–	–	474
NET CASH FROM/(USED) FINANCING ACTIVITIES	19	–	–	474
NET INCREASE/ (DECREASE) IN CASH HELD	(28 522)	(2 270)	(2 363)	336
Cash/cash equivalents at the year begin:	29 219	5 658	5 658	697
Cash/cash equivalents at the year end:	29 219	3 389	3 296	1 033
Source: MBRR A7				
T 5.9.7				

Comment on cash flow outcomes

There is a significant decrease in the cash and cash equivalents balance at year end. The municipality's cash is tied up in the receivables by organs of state, namely local municipalities within the District. Improved cash flow management principles and practices will be employed in the 2024/25 financial year, to improve the cash flow position.

5.9 Borrowing and Investments

No new loans were made and reserves were invested in terms of the appropriate policy of Council and the MFMA Regulations in this regard.

Actual Borrowings: Year -2022/23 to Year 2024/25			
	R' 000		
Instrument	Year -2022/23	Year 2023/24	Year 2024/25
Municipality			
Long-Term Loans (annuity/reducing balance)			
Financial Leases			
Municipality Total	0	0	0
Municipal Entities			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	0	0	0
			<i>T5.10.2</i>

Investments were only made in line with the Municipal Cash and Investment Management Policy i.e. at registered banks in terms of the Banks Act, with balances on the accounts as indicated on the table below:

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Petty cash	4 020	4 372
Bank balances	226 117	105 756
Short-term deposits	1 118 680	923 302
	1 348 817	1 033 430

John Taolo Gaetsewe District Municipality
Annual Financial Statements for the year ended 30 June 2026

Notes to the Annual Financial Statements

Figures in Rand

2026

2025

6. Cash and cash equivalents (continued)

The municipality had the following bank accounts

Account number / description	Bank statement balances			Cash book balances		
	30 June 2026	30 June 2025	30 June 2024	30 June 2026	30 June 2025	30 June 2024
Standard Bank - Main Account- 240923804	-	-	656 619	-	-	656 619
ABSA Bank - Main Account - 4114302716	226 117	(155 175)	-	226 117	105 756	-
Cash on Hand	-	-	970	-	-	970
ABSA Bank - Petty cash - 4114302724	4 023	4 750	-	4 020	4 372	-
ABSA Bank- FixedAccount - 9370194405	343 161	-	39 342	343 161	-	39 342
ABSA Bank - FixedAccount - 9390732704	545 799	-	-	545 799	-	-
African Bank - CallAccount - 81000159047	-	240 885	-	-	240 886	-
African Bank - CallAccount - 81000142615	-	682 416	-	-	682 416	-
Standard BANK - Investment Account - 048463353-064	229 720	-	-	229 720	-	-
Total	1 348 820	772 876	696 931	1 348 817	1 033 430	696 931

Comment on investments

From the table above it is evident that the municipality ensured that it maintains a separate investment account for each grant received. This was to ensure that any unspent portion of grants is fully accounted for.

5.10 Public Private Partnerships

The Municipality does not have any public private partnerships.

COMPONENT D: OTHER FINANCIAL MATTERS

5.11 Supply Chain Management

Officials in the Supply Chain Unit comply with the minimum competency requirements.

All issues of non-compliance of policies and regulations raised in prior periods were addressed in the audit action plan in response to the Auditor General's Report. Further details are provided as per section 2.8 of this report.

5.12 GRAP Compliance

GRAP is the acronym for Generally Recognized Accounting Practice and it provides the rules by which municipalities are required to maintain their financial accounts. Successful GRAP compliance will ensure that municipal accounts are comparable and more informative for the municipality. It will also ensure that the municipality is more accountable to its citizens and other stakeholders. Information on GRAP compliance is needed to enable National Treasury to assess the pace of progress and consider the implications.

The Municipality is GRAP compliant and the Budget and Treasury Office was assigned to compile the Annual Financial Statements. This was done as part of the Consultants Reduction Plan and is to continue in the foreseeable future.

5.13 Municipal Budget and Reporting Regulations (MBRR) Compliance

The municipality is to strengthen further MBRR compliance and continued to implement the updates and notices communicated from time to time by National Treasury.

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

Auditor General is yet to audit the financial and performance information for the 2025/26 Financial Year.

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2024/25

6.1 AUDITOR GENERAL REPORTS YEAR – 2024/25 (PREVIOUS YEAR)

The Municipality received an unqualified with findings audit opinion for the 2024/25 Financial Year. Management compiled and implemented the Audit Action Plan as adopted. The Plan was implemented during the year with confirmed success.

COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2025/26 CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT YEAR 2025/26

The Municipality received an unqualified with findings audit opinion for the 2025/26 Financial Year. The report of the Auditor General is attached hereto as Volume IV. Management compiled an Audit Action Plan to implement remedial actions, and ensure its success.

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give <i>“full and regular”</i> reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe <i>“what we do”</i> .
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved - means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.

Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General performance indicators	Key After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National performance areas	Key • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.

Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

APPENDICES

APPENDIX A - COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

This is discussed in Chapter 2 under Governance and no additional information is provided here.

APPENDIX B - COMMITTEES AND COMMITTEE PURPOSES

This is discussed in Chapter 2 under Governance and no additional information is provided here.

APPENDIX C - THIRD TIER ADMINISTRATIVE STRUCTURE

This is discussed in Chapter 2 under Governance and no additional information is provided here.

APPENDIX D - FUNCTIONS OF MUNICIPALITY / ENTITY

Positioning of the functions and responsibilities of district municipalities in relation to the integrated municipal governance framework

Function in schedules 4 and 5 of the Constitution	Integrated Planning and Development Facilitation	Promoting bulk infrastructural development and services for the district as a whole	Building the capacity of local municipalities in its area to perform their functions and exercise their powers where such capacity is lacking	Promoting the equitable distribution of resources between the local municipalities in its area to ensure appropriate levels of municipal services within the area
Air pollution			✓	
Building regulations			✓	
Electricity and gas reticulation		✓		
Firefighting services		✓		
Local tourism	✓			✓
Municipal airports		✓		
Municipal health services		✓		✓
Municipal public transport		✓		✓
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law		✓		✓
Storm water management systems in built-up areas		✓		✓
Trading regulations			✓	
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems		✓		✓

Billboards and the display of advertisements in public places				
Municipal planning	✓			
Cemeteries, funeral parlours and crematoria		✓		
Cleansing				
Control of public nuisances				
Control of undertakings that sell liquor to the public				
Facilities for the accommodation, care and burial of animals				
Fencing and fences				
Licensing of dogs				
Licensing and control of undertakings that sell food to the public				
Local amenities		✓		✓
Local sport facilities		✓		✓
Markets	✓		✓	✓
Municipal abattoirs		✓		✓
Municipal parks and recreation		✓		✓
Municipal roads		✓		✓
Noise pollution				
Pounds				
Public places				
Refuse removal, refuse dumps and solid waste disposal		✓		✓
Street trading			✓	
Street lighting		✓		✓
Traffic and parking		✓		✓

APPENDIX E - WARD REPORTING

The District Municipality does have ward committees, as this is a function performed by the local municipalities.

APPENDIX F - WARD INFORMATION

The District Municipality does have ward committees, as this is a function performed by the local municipalities. Capital projects is discussed in Chapter 5 of the report.

APPENDIX G - RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2025/26

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendation during the Year 0	Recommendation adopted (enter Yes) If not adopted (provide explanation)
Quarter 2, 3 and 4.	Matter to be referred to the Mayoral Committee for review of:	Yes
	Creditors and debtors analysis.	Yes
	Payments made after 30 June (testing cut off).	Yes
	Review aged items for creditors and debtors and recommend an implementation plan.	Yes
	Internal audit to perform a follow up audit by the 15th of August and report to the next Audit Committee meeting.	Yes
	Report referred to MM to follow up with Corporate Services Manager for his urgent attention (DD 7 August 2015 for input, implementation and action).	Yes
	The report should be presented to the NEXT Audit and Performance Committee together with the Accounting Officer's action plan to turn around the plight of Corporate Services.	Yes
	Report referred to Accounting Officer to ensure it's finalised.	Yes
	All internal audit findings per quarter should be summarised in one document and be monitored for implementation by the Chief Risk Officer for implementation through the office of the MM every fourth night.	Yes
	The Compliance Officer needs to monitor all compliance issues and update the Municipal Manager who will in turn advice the office of the Mayor on all compliance issues.	Yes
	The Compliance Officer and the Accounting Officer must review all the Audit Reports Q1,2,3 and 4 Issued by Internal Audit, and come up with a way forward to manage compliance (Director Internal Audit to facilitate this process).	Yes
	Communications portfolio to be part of this meeting.	Yes
	Management must ensure that Financials are reviewed and presented to Council by the Audit and Performance Committee prior to them being submitted to Auditor General.	Yes
	Performance information is also part of the AFS, so the above is also applicable.	Yes

Refer to Volume IV for the Audit and Performance Committee report upon adoption by Council for the year ended 30 June 2025.

APPENDIX H - PUBLIC PRIVATE PARTNERSHIPS

For 2025/26 financial year there were no public private partnerships

APPENDIX I - LONG TERM CONTRACTS AND PERFORMANCE SCHEDULE

NO	SERVICE PROVIDER	TYPE OF SERVICE	DURATION	PERFORMANCE RATING/ CONTRACTUAL OBLIGATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	CUSTOMER RELATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)
1	Reneilwe Consulting & Planners	Professional Services for RRAMS & ISDG	36 months	Satisfactory	Acceptable	Acceptable
2	DDP (Pty) Ltd	Valuation of municipal properties for the period of 36 months – DDP Ltd	36 months	Satisfactory	Acceptable	Acceptable
3	Arch Actuaries Consulting	Provision of Actuaries for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable
4	ABSA Bank	Provision of Banking services	5 years	Satisfactory	Acceptable	Acceptable
5	CCG Systems (Pty) Ltd	Provision of ERP Financial Systems that is mSCOA Compliant	12 months	Satisfactory	Acceptable	Acceptable
6	All Diamond Risk Solutions (Pty) Ltd	Provision of Insurance Services of Properties and Liabilities	36 months	Satisfactory	Acceptable	Acceptable
7	EMS Solutions (Pty) Ltd	Verification And Valuation Of Municipal Owned Biological Assets (Game Species) At Thwane Farm	36 months	Satisfactory	Acceptable	Acceptable
8	Root - X Auctioneers	Panel of Auctioneers for a period of 24 months (as and when needed)	24 months	Satisfactory	Acceptable	Acceptable
9	Koikanyang Incorporated	Panel of Attorneys for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable
10	Tjikunga & Associates Inc	Panel of Attorneys for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable

NO	SERVICE PROVIDER	TYPE OF SERVICE	DURATION	PERFORMANCE RATING/ CONTRACTUAL OBLIGATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	CUSTOMER RELATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)
11	Maake Inc	Panel of Attorneys for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable
12	Telkom	PBX Rental Term Service Agreement	N/A	Satisfactory	Acceptable	Acceptable
13	Telkom	ISDN PRA Service agreement	N/A	Satisfactory	Acceptable	Acceptable
14	Urb ICT - Upington	Provision of Static IP Address (for emails only)	12 months	Satisfactory	Acceptable	Acceptable
15	National Youth Development Agency (NYDA)	Lease of building - ERF	36 months	Satisfactory	Acceptable	Acceptable
16	Lefetlho Trading (Pty)Ltd	Provision of Cleaning services	36 months	Satisfactory	Acceptable	Acceptable
17	Vysem Traders Cc	Provision of photocopying machines for a period of 36 months	36 months	Satisfactory	Acceptable	Acceptable
18	Kathu Technical College	Lease of a building	36 months	Satisfactory	Acceptable	Acceptable
19	Kagotsentle Security Services	Provision of Security Services	24 months	Satisfactory	Acceptable	Acceptable
20	PAPKRAST Group	Maintenance of Municipal Websites	N/A	Satisfactory	Acceptable	Acceptable
21	Skhunyana Consulting	Transactional advisory and capital raising services including public private partnerships	36 months	Satisfactory	Acceptable	Acceptable
22	Lucus Macintyre Jele Engineering Services	Transactional advisory and capital raising services including public private partnerships	36 months	Satisfactory	Acceptable	Acceptable
23	Ntiyiso Consulting (Pty)Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Satisfactory	Acceptable	Acceptable

NO	SERVICE PROVIDER	TYPE OF SERVICE	DURATION	PERFORMANCE RATING/ CONTRACTUAL OBLIGATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	CUSTOMER RELATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)
24	Engineerex (Pty) Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Satisfactory	Acceptable	Acceptable
25	Utho capital (Pty)Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
26	TM Consulting (Pty)Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
27	Aseda Consulting Engineers (Pty) Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
28	Tsela Tsweu Consulting Engineers (Pty) Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
29	Paragon Debt Advisory	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
30	Pholisani Capital (Pty) Ltd	Transactional advisory and capital raising services including public private partnerships	36 months	Acceptable	Acceptable	Acceptable
31	S & R Enterprise	Supply and delivery of crusher dust and cement for a period of 24 months as and when required	24 months	Acceptable	Acceptable	Acceptable
32	Munvat (Pty) Ltd	Appointment of service providers to conduct an external quality	2 months	Acceptable	Acceptable	Acceptable

NO	SERVICE PROVIDER	TYPE OF SERVICE	DURATION	PERFORMANCE RATING/ CONTRACTUAL OBLIGATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	TIME MANAGEMENT (Satisfactory, Acceptable, Marginal, or Unsatisfactory)	CUSTOMER RELATIONS (Satisfactory, Acceptable, Marginal, or Unsatisfactory)
		review on the internal audit function (once off)				
33	Positive Reign Holdings	Supply and delivery of ICT equipment on a rate based for a period of 24 months (as and when needed)	24months	Acceptable	Acceptable	Acceptable

APPENDIX J - DISCLOSURES OF FINANCIAL INTERESTS

All councillors and senior managers are required to declare their business interests annually. Such business interests are:

DISCLOSURE OF FINANCIAL INTERESTS FOR COUNCILLORS & SNR OFFICIALS					
Period July 2025 to June 2026					
POSITION	NAME	ID NO	DESCRIPTION OF FINANCIAL INTERESTS (NIL / OR DETAILS)	ACTIVE	INACTIVE
Executive Mayor	PQ Mogatle	8103130613080	Pulane Mogatle Trading Enterprise		✓
			Bomme-Sejo Services and Supply Co-Operative Limited	✓	
			Queen Felicity Fuel and Truck Inn		✓
			Annex Langdon Commodities Smelters		✓
			Adonia Kuruman Mall		✓
			Blesbok Coal Mine		✓
			Queen Mogatle Foundation		✓
			Kalahari Beach Island	✓	

			Eco Dust Solution	✓	
Speaker	IE Aiseng	7007275997086	Kemmogo Trading Enterprise		✓
JTG Councillors	KF Masilabele	8010100866087	Keep IT UP Construction		✓
	OH	6612051018089	Faraway Agricultural	✓	
	Kgopodithata		Refemele Multi-Purpose Primary Co-operative Limited	✓	
	NG Ngesi	6707250604083	Merero-YA-Basadi Mining and Projects		✓
			Nkagisang Financial Services		✓
			Nkavutha Manufacturing Industry		✓
			T L H Civil Construction and Projects		✓
			Mmadihlofa Plastics		✓
			Mighty Metals		✓
			Joyful Attempt Construction and Projects 99		✓
			Bokone Mining Primary C- Operative Limited	✓	
			Nkavutha Transport Services		✓
			Mpho ya Basadi Supplier and Projects		✓
			Bangeko Construction and Projects		✓
			Gamotinye Investment Holdings		✓
			Ditukus Projects	✓	
			Abotype		✓
			Tulasign		✓
			Abotrim		✓
			Ladospace		✓
			Batharo LE Bathping Mining Solutions		✓
			NC Women Mining Projects		✓
			Retsogile Mining Resources		✓
	PM	5303135841081	Exicon Building and		✓

	Kgosienewang		Development		
			Gareitihoboge Mining		✓
			Kitlano Building Supplies		✓
			Sizisa Ukhanyo Trading 79		✓
			Puso Builders		✓
			Kika Civil Construction		✓
			Kgosienewang Civil and General Construction		✓
			Desert Star Trading 397		✓
	KR Paul	8502210725088	Koklas Catering and Cleaning Service		✓
			Dikoke Gambling Enterprise and Manufacturing		✓
	AI Eilerd	7801095170084	Nil		
	PJ Ohentswe	8608126151085	P J O Contractor		✓
			Mothisize		✓
			S.T.P.J Construction and Manufacturing		✓
			Ohentswe Construction Supply and Training		✓
			Perth 1 Stop Station and Shop		✓
			Letso Investment	✓	
			JTG Logistics		✓
			JTG Community Development Association		✓
			JTG Trucking Group	✓	
	TC Moliwe	8409201188088	Ashelwang Trading Enterprise		✓
			Kokobitia		✓
Seconded Councillors (Joe Morolong)	I Matebese	8705276308083	Candle Away General Trading		✓
			Awera General Trading		✓
	N. Tswere	6710101948089	Batho Phuthanang Sand Mining	✓	
			Tsela Kgopo Primary Co-Operative Limited	✓	
			Gabosegangwe Trading		✓
	M Filipo	8907081075085	Nil		
	T Mosegedi	8810135815086	Nil		

	G Kaotsane	8409305916087	Asili ya M		✓
			Kgolagano Properties	✓	
			SABA Logistics		✓
	O Etshetshang	8801050621088	Ott Solution Providers		✓
Seconded Councillors (Ga-Segonyana)	G Chere	7412252309083	Nil		
	N Mereotlhe	8211170484088	Poplas Restaurant		✓
			Popland	✓	
	M Elliot Valela	8003046057085	Nil		
	O Mathibe	5812285182086	Nil		
	K. Setlhodi	7701051177083	Nil		
Seconded Councillors (Gamagara)	NM Koikoi	7910215277081	Seanx Technology		✓
	T Motsoare	6711045686082	Pharaphama Multi Business		✓
			Gamagara Business Forum		✓
			Tsantsabane Social and Labour Development Forum		✓
Municipal Manager	KK Teise	7004146044081	Strong Team Construction and Projects 8		✓
			Kurara Clap Your Hands 01		✓
			Kagisano Motlhaping Manganese Mine		✓
			Kagisano Manganese and Iron Ore Mine		✓
			KM Manganese and Iron Ore Mine		✓
			United Power Construction		✓
			Kuduman Development Cooperation		✓
Chief Financial Officer	CC Sibanyoni	8406230275084	MRCP (Pty) Ltd	✓	
Director	SP Mereotlhe	8609270509086	Sey Mining and Projects	✓	

Corporate Services					
Director: Community Development Services	TH Mathare	6701065885086	Just Released Trading 505		✓
			Maremane Mining and Projects	✓	
			Moremolemo Trading		✓
Director: Local Economic Development	LM Gaetsewe	7710190358082	Desertfrost 8		✓
			Kitso Specialised Welding Projects		✓
			Laonelotso Trading		✓
			LA One Consultancy Group		✓
			JTG Development Solutions		✓
			Tawana Hotazel Mine	✓	
			bothojwane trading and projects		✓
			Oabotho Trading		✓
			Bothojwaone Trading	✓	
			Gweba Trading 3		✓
			Sebilo Resources	✓	
Acting Director: Basic Services & Infrastructure	M Molusi	6803116045080	BOM Transportation Services		✓

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

Revenue collection details are disclosed in the Unaudited Annual Financial Statements, and no further information is provided.

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Grant information details are disclosed in the Unaudited Annual Financial Statements, and no further information is provided.

APPENDIX M: CAPITAL EXPENDITURE - NEW & UPGRADE/RENEWAL PROGRAMMES

Capital expenditure details are disclosed in the Unaudited Annual Financial Statements, and no further information is provided.

APPENDIX N - CAPITAL PROGRAMME BY PROJECT YEAR 2025/26

Capital expenditure details are disclosed in the Unaudited Annual Financial Statements, and no further information is provided.

APPENDIX O - CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 2025/26

Capital expenditure details are disclosed in the Unaudited Annual Financial Statements, and no further information is provided. It is however important to note that the District Municipality does not have wards.

APPENDIX P - SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

This function is performed by the local municipalities.

APPENDIX Q - SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service backlogs are indicated in the tables below and is based on information from StatsSA Census Survey 2022.

Dwelling type

Name	Frequency	%
Formal dwelling	58 516	88,2%
Traditional dwelling	2 171	3,3%
Informal dwelling	5 041	7,6%
Other	620	0,9%

Source: Statssa 2022

Energy and electricity

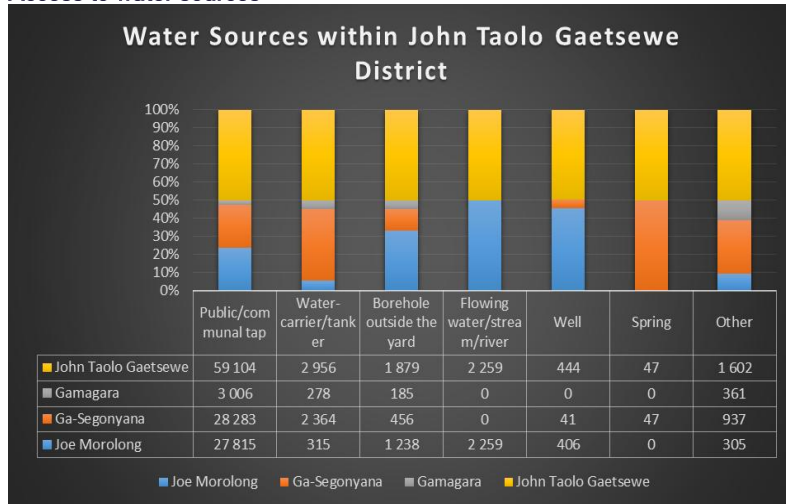
Municipality	Electricity for lighting only	Electricity for lighting and other purposes	Not using electricity	Total
Joe Morolong	3,125	17,459	1,235	21,819
Ga-Segonyana	447	31,047	1,342	32,837
Gamagara	436	15,235	998	16,669
Total	4,008	63,742	3,575	71,325
John Taolo Gaetsewe				

Main Source of Energy for Lighting

	Joe Morolong	Ga-Segonyana	Gamagara	John Taolo Gaetsewe
Electricity from mains	25 081	25 554	9 921	60 557
Gas	29	173	11	213
Paraffin	80	339	34	453
Candles	994	2 074	3 74	3442
Solar	-	477	65	1414
Other	15	1083	17	117
None	71	85	9	151

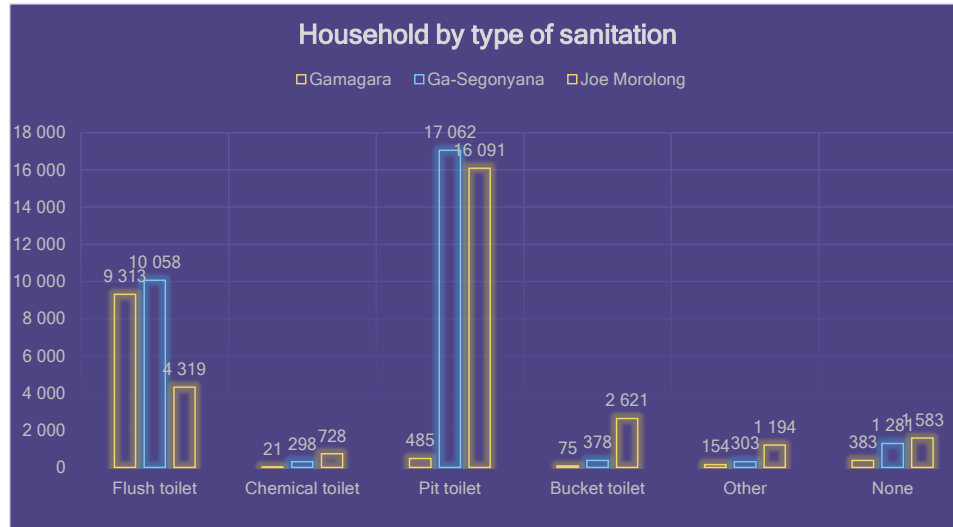
Source: StatsSA 2022

Access to water sources



Source: StatsSA, 2022

Household by type of sanitation.



Source: StatsSA, 2022

Refuse removal within JTGDM area

	Joe Morolong	Ga-Segonyana	Gamagara	John Taolo Gaetsewe
Removed by local authority/private company/community members at least once a week	3 864	6 602	8 837	19 304
	1	38	220	259
Communal refuse dump	197	167	22	385
	343	601	716	1 660
Own refuse dump	19 447	20 535	384	40 397
	2 047	953	118	3 117
Other	608	2 483	134	1 225

Source: StatsSA, 2022

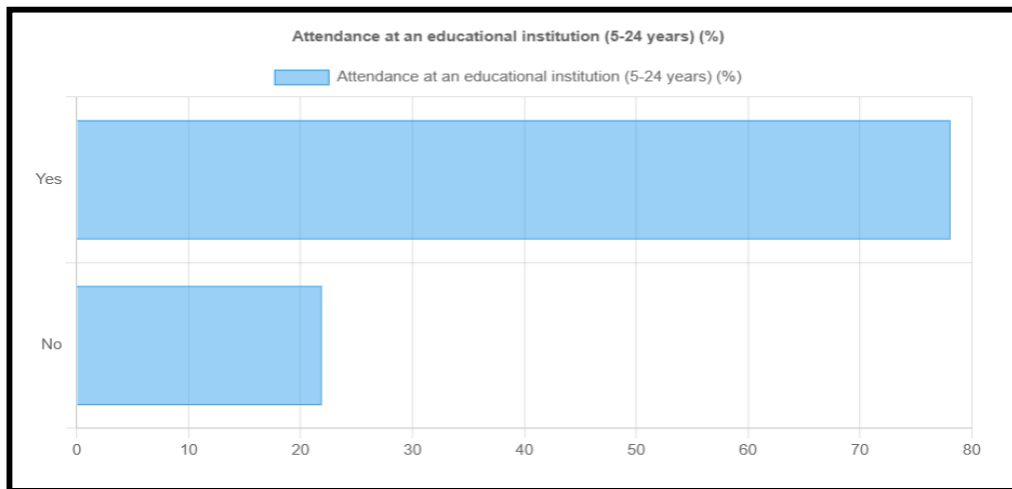
Health facilities levels in the district

SUB-DISTRICT	HEALTH AREA	FACILITY NAME
Ga-Segonyana	Ga-Segonyana	Kagung PHC
		Tshwaragano Hospital
		Kagisho CHC
		Wrenchville PHC
		Batho Pele Mobile
		Maruping PHC
		Gateway PHC
		Seoding PHC
		Keolopile Olepeng PHC
		Kuruman PHC
		Bankhara Bodulong PHC
		Kuruman Hospital
Joe Morolong	Kamden	Kamden CHC
		Dithakong PHC
		Manyeding PHC
		Churchhill PHC
		Deerward PHC
		Mecwetsaneng PHC
		Gasehunelo PHC
		Bothetheletsa PHC
		Pieterham PHC
		Logobate PHC
	Cassel	Cassel CHC
		Bothithong PHC
		Bendel PHC
		Ditshipeng PHC
		Glenred PHC
		Heuningvlei PHC
		Perth PHC
		Mosalashuping PHC
		GW Maroro PHC

Gamagara	Loopeng	Loopeng CHC
		Gadiboe PHC
		Tsineng PHC
		Laxey PHC
		Van Zylrus PHC
		Metsimantsi PHC
		Penryn PHC
		Padstow PHC
		Rusfontein PHC
		Dingleton PHC
		Jan Witbooi PHC
		Kathu PHC
		Katrina Koikoi PHC
		Olifanshoek CHC
		Pako Seboko PHC

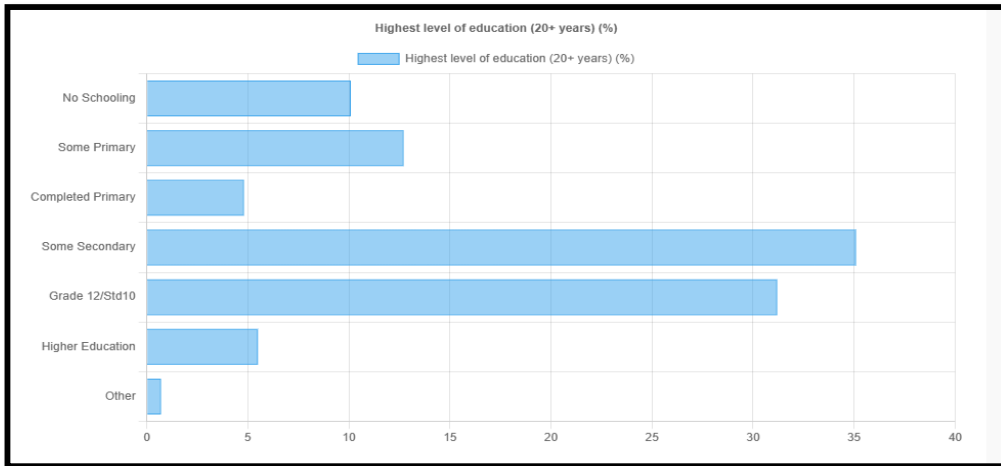
Detail breakdown of educational levels in the district

Level of Education for population aged 5 - 24 years attending school within JTGDM



Source: StatsSA, 2022

Level of Education for population aged 20 years and older within JTGDM



Source: StatsSA, 2022

APPENDIX R - DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

No additional information is disclosed other than what is contained in the Unaudited Annual Financial Statements.

APPENDIX S - NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

The Integrated Development Plan of the Municipality is structured to include the National Outcomes and Key Performance Areas for Local Government. The Unaudited Annual Performance Report of the Municipality contains information in this regard. No additional information is disclosed.

VOLUME II: ANNUAL FINANCIAL STATEMENTS

The unaudited Annual Financial Statements for the 2025/26 Financial Year is enclosed hereto.

VOLUME III: ANNUAL PERFORMANCE REPORT

The unaudited Annual Performance Report for the 2025/26 Financial Year is enclosed hereto.

VOLUME IV: AUDIT AND PERFORMANCE COMMITTEE REPORT

The unaudit and Performance Committee Report for the 2025/26 Financial Year is enclosed hereto.

VOLUME V: AUDITOR-GENERAL'S REPORT

The Auditor-General's Report for the 2024/25 Financial Year is enclosed hereto.